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JULY 28, 1946

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THE DEPARTMENT OF STATE

BULLETIN



July 28, 1946

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The Present Status of German Youth

Article by HENRY J. KELLERMANN 1

PART III

Policies of Military Government

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Although the purpose and form of organization remains disputed among the Allies and interest among German youth is doubtful, Allied and German authorities in all zones have initiated and encouraged the formation of youth groups. In the Soviet zone, youth organizations take an active interest in speeding the process of economic and physical recovery. In the British and American zones, MG policies appear to be motivated by the wish to use youth organizations as an additional means of re-education and control. In the Soviet, American, and British zones Allied authorities, uniformly but for different reasons, look askance at the organization of party-sponsored youth groups.

Soviet Zone. Soviet policies in Berlin and within the Soviet zone itself appear to be oriented toward long-range objectives. Soviet authorities seem to have aimed from the beginning at the establishment of a unified youth movement possessing a political program in harmony with over-all Soviet policies, but claiming to be a supra-political organization independent of party sponsorship. Such a movement has now come into being in the shape of the Free German Youth (Freie Deutsche Jugend—FDJ).

Pending this development, youth had been granted a limited right of self-administration under official (adult) auspices. To this end youth committees (Jugendkomitees or Jugendaus-schüsse), led by and composed of young people, were formed in the first months of occupation for the purpose of creating a "unified free youth movement." These youth committees, reportedly, were the successors to local groups which had sprung up almost immediately after the military

collapse. They were led, at least in part, by left-wing inmates of concentration camps.

By a decree of Marshal Gregory Zhukov of July 31, 1945, a new basis was created for all youth activities throughout the zone. The decree authorized the establishment of anti-fascist youth committees at all mayoralties of cities and medium-sized towns (but not villages). The most active anti-fascist boys and girls were to be the members and the committees were to be supported by public funds. Simultaneously, the creation of all other youth organizations, e. g. trade-union, Socialist, and sport associations, was prohibited, and those already in existence, such as the Boy Scouts and church groups,³ were dissolved. The organization of youth committees on the zonal, regional, and local levels followed rapidly.

The highest youth authority for the Soviet zone is the Central Youth Committee (Zentraljugend-ausschuss) in Berlin, which has jurisdiction for the whole zone.⁴ The central committee directs and coordinates the work of youth committees on

¹Dr. Kellermann is a Research Analyst in the Division of Europe, Near East, and African Intelligence, Office of Research and Intelligence, Department of State. This study is partially based on observations made during a recent stay in Germany when Dr. Kellermann served as Chief of Research and Consultant to the Office of Chief of Counsel for the Prosecution of Axis Criminality.

For Part I of this article see BULLETIN of July 14, 1946, p. 49; for Part II see issue of July 21, p. 83.

² Statement by Walter Ulbricht, member of the executive committee of the Communist Party, at the first conference of party functionaries on June 25, 1945, quoted in *Jugend auf neuem Wege*, publication of the Central Youth Committee for the Soviet Occupation Zone.

^a Foreign Broadcast Intelligence Service: ticker, July 31, 1945; Jugend auf neuem Wege, p. 7.

⁴ Its leading members are Erich Honecker, Kommunistische Partei Deutschlands (KPD), formerly Catholic Youth, Chairman; Edith Baumann, Sozialdemokratische Partie Deutschlands (SPD); Heinz Kessler, Kommunistische Partei Deutschlands (KPD).

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the state and provincial levels; the latter are responsible for activities in the cities and towns. For Berlin itself a Main Youth Committee (Hauptjugendausschuss) * reports to the Central Youth Committee. The Main Youth Committee, in turn, supervises the activities of the district (Bezirksjugendausschüsse), vouth committees each of which corresponds geographically to one of Berlin's city districts. The autonomy of the youth committees is restricted by the fact that all of them are ultimately responsible to the Central Administration for Popular Education (Zentralverwaltung für Volksbildung). Thus adult supervision is maintained.

The new policy resulted in a rapid expansion of youth organizations throughout the zone. Seventy-three youth committees were reported in January 1946 in Brandenburg Province alone. But in terms of membership the picture is reported to be less impressive. It has been estimated that in Berlin (December 1945) only 10 percent of the youth participate in the work of the youth committees. Open hostility to the committees has been reported. In Thuringia, for instance, youths who attended meetings of the youth committees went home in groups to avoid being beaten up by German protagonists. It is to be assumed also that girls constitute the majority of the membership.

The political composition of the membership is said to be mainly left-wing. Soviet policy and the preponderance of left-wing elements—e.g. KPD members or children of members—accounts for the complexion of the leadership. The personnel of both the Central Youth Committee and the Main Youth Committee consists largely of Communists and Socialists. In most Berlin districts

the youth committees have been led by Comminists and, in isolated cases, by Socialists. Similar conditions seem to exist in other parts of the Soviet zone.

Honecker, head of the Central Youth Committee, has insisted that the selection of leadership was based exclusively on individual merit, that it to say on personal initiative and the individual political, i.e. anti-fascist record.⁸ On the other hand, the predominance of Communist leaders and members would prove to be of distinct advantage if it were an over-all policy of the leadership to establish a nation-wide youth organization under Communist auspices. It also appears that the youth committees were designed to serve as instruments of political purge and as nuclei for a unified youth organization.⁹

It is worth noting that the need for unity is youth organization was originally agreed upon b all elements. Both Communists and church fol lowers are reported to have agreed upon "United Germany, our Fatherland" as the slogan for united youth organization. However, representatives of Catholic and Protestant church group have begun to object to the monopolization leadership by left-wing elements. Efforts b FDJ leaders to effect the unification of all German youth within their organization and their attempts to extend their influence into the western zone have drawn strong protests from representative of church groups and the Christian Democratic Youth.10

Efforts to consolidate a single youth body have nevertheless, continued and have resulted in the formation of the over-all organization known the Free German Youth (Freie Deutsche A gend-FDJ). As early as February 11, 1946, was reported that the new organization was a ready getting under way in the Soviet zone. The first intimation of its creation came from Erich Honecker, head of the Central Youth Committee, who announced that arrangements were being made to start the new group. It was to operate under a national leadership of 40 "from all parts of Germany". Separate sections, Honecker said were planned for the three western occupation zones. Its program called for the maintenance of the unity of Germany.

Although information about the formative stages is still lacking, it is reported that support for the FDJ has come from the Berlin Magistro and from the Soviet authorities. Both Catholic

⁴ Its head is Heinz Kessler (KPD).

⁵ Political Intelligence Division of the British Foreign Office: Daily Digest for Germany and Austria, No. 201.

^{*}In Berlin 70 percent of all youths are said to be female; in Saxony the proportion of boys to girls, between the ages of 14 and 21, reportedly, is one to eight.

⁷ Exceptions are reported from the Tiergarten district, where a Catholic is the leader, and from Zehlendorf, where denominational youths head the youth committees.

⁸ Jugend auf neuem Wege, p. 12.

[°] FBIS: Daily, Aug. 2, 1945, quoting Radio Berlin: "The permission of the occupation authorities for the formation of youth committees gives German youth . . . the opportunity of organizing itself in democratic unity and purging its ranks of all fascist filth."

¹⁰ FBIS: ticker, Mar. 2, 1946.

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and Protestant groups are reported to have requested permission to organize confessional Simila groups within the FDJ.

Official sanction for at least parts of the FDJ was given in March, an event celebrated in the ommit Berlin papers as "another step toward the new Germany". Accordingly, all youth committees in the Soviet zone and the Soviet sector of Berlin are reported to be in the process of being replaced by units of the FDJ. The new organization is said to be "magnificently" equipped with slogans, badges, and banners. The Executive Board of Berlin has been nominated. It is headed by Kessler (KPD) and is composed of a majority of Communist members. A provisional Reich leadership of the FDJ scheduled to be elected on April 26-27 in Berlin was to include Erich Honecker (KPD) as Chairman, Edith Baumann (SPD) as Deputy Chairman, and a number of Communistic, Socialistic, and Christian Democratic members with Communists clearly in the numerical lead.

Inasmuch as the objectives of the youth committees and the FDJ are centered on political reconstruction and economic rehabilitation, the vouth movement in the Soviet zone seems to have detached itself deliberately from the traditional aims of the German youth movement. The only residues appear in the emphasis placed consciously on the cultivation of German cultural values and in a continued call for national unity.

This conscious courting of national feeling is, however, as much a part of the Communist overall policy of stressing German unity as a political postulate as it is a concession to the sentimental traits of the German youth movement. The same policy is exemplified in the Communists' outright refusal to create a separate Communist youth organization or to allow the establishment of any other party-affiliated or church-sponsored youth groups. 11 The FDJ would therefore seem by implication an instrument which seeks to use the theme of national unification as a means of extending political influence, inside and outside the Soviet zone.

U. S. Zone. Military Government policies toward youth in the American zone appear dictated by a desire to forestall any premature preoccupation of youth with matters political. Consequently, the establishment of youth organizations is encouraged primarily as an additional means of both recreation and control. Nonetheless, youth groups with specific political interests have emerged within or outside the legitimate parties. Moreover the neutral label adopted by some youth organizations does not seem to have discouraged the efforts of political groups to influence such independent youth organizations along specific political lines. Finally, U. S. policies seem to have crystallized gradually. As a result, practices in various regions within the zone have shown marked deviations, depending on the individual situation as well as on the judgment of the official in charge.

Directives recently issued by MG for the American zone are making the above tendencies explicit.12 Support is promised to all "voluntary" vouth groups devoted to cultural and religious education and to recreation. Such organizations are considered as instrumental to democratic education. The establishment of branches of such international organizations as the Boy Scouts, the Y. M. C. A., the Y. W. C. A., and the Y. M. H. A. is expressly recommended. On the other hand, the creation of youth organizations similar in character to the Hitler Youth or to any military organization is prohibited. Youth organizations, furthermore, are not permitted to engage in political activities, nor are the members permitted to wear uniforms or badges without special permission from MG. Membership is restricted to boys and girls from 10 to 18 years of age. It must be voluntary and unrestricted. That is to say, while the formation of religious and trade-union youth groups is permitted, membership cannot be made contingent upon racial or economic considerations. However, political integrity is made a condition for all leaders of youth groups as well as for all persons supervising or teaching leaders and members. Before activities are started, MG must examine, approve, and license each organization.13

[&]quot;Jugend auf neuem Wege, p. 15.

¹² Mittelbayerische Zeitung (Regensburg), Apr. 26, 1946.

¹³ The Monthly Report of the Military Government of Germany on Education and Religion, of Mar. 20, 1946, lists the following standards outlined and proposed by German civilian agencies for the approval of youth organizations by MG: A comprehensive program of youth activities should (a) provide for adequate play and recreational activities under the supervision of voluntary agencies and educational leaders; (b) provide, under satisfactory supervision, for the carrying out of voluntary work projects which further reconstruction and give the participants a sense of usefulness; (c) give assurance that minimum facilities, such as buildings, playgrounds, and simple equipment are to be provided; (d) provide acceptable

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To supervise and enforce the directives, American authorities have created "youth committees" to operate as intermediary agents between MG and the youth organizations. Such organizations exist on the state level (Landesjugendkomitee) as well as on the county level (Kreisjugendkomitee). However, in contrast to practices prevalent in the Soviet zone of having youths form the membership of such committees, youth committees in the U. S. zone are composed mainly of adults, both male and female, representing the local administration, the churches, the professions, trades, arts, sport, and student associations, as well as personages from the fields of education, youth welfare, Finally, the youth organizations and health. themselves are expected to delegate leaders to the appropriate youth committees. The Minister of Cultural Affairs within each state (Land) is responsible for the work of the youth committees.

The functions of the youth committees involve political supervision of youth groups, i.e. protection of youth organizations from subversive political influences; counseling and supporting youth organizations with regard to programs; establishment of a register of all organizations within their jurisdiction; and examining applications by

plans for youth leadership training in institutions of higher learning and for short conferences and institutes to meet immediate leadership requirements, and (e) set forth practical plans for increasing the number and circulation of youth publications. These criteria elaborated by German agencies, although still predominantly non-political and patronizing in their approach, nevertheless show incipient tendencies to give youth an opportunity for participating in larger social projects, e.g., in the task of reconstruction.

³⁶ Commanding General, U. S. Forces in the European Theater.

18 Liaison youth officers are to work with the youth committees on the following programs: (1) sharing of athletic fields, gymnasiums, swimming pools, etc., which have been requisitioned by U. S. troops; (2) turning over equipment and sport supplies to German youth groups; (3) assisting the county youth committees in setting up youth hostels, motion-picture performances, sport competitions, and crafts, in promoting volunteer work in farming, repairing war damage, and in the arrangement of meetings at which "German youth can hear about the youth of the democratic countries". Cf. Frankfurter Neue Presse, Apr. 25, 1946.

16 Weser Kurier (Bremen), Feb. 23, 1946.

federations (Landesjugendverbände). With the exception of Bavaria, the creation of youth committees appears to have been accomplished in every county.

To facilitate the work of the youth committees

youth organizations for the formation of regional

To facilitate the work of the youth committees and to maintain relations between youth committees and MG, "youth officers" have been, or will be, appointed for each state in the American zone. Under a directive of General Joseph T. McNarney, 14 the 11 principal tactical commanders have also been ordered to appoint full-time liaison officers to cooperate with these youth officers. 15

Following the regulation of MG of October 25, 1945, permitting the establishment of youth groups, youth organizations have sprung up in all parts of the U. S. zone. The number and type of these groups reflect, to some extent, the varying practices which existed throughout the U. S. zone prior to the final formulation of current policies.

In the Bremen enclave, youth groups, according to reports,16 were permitted only on a local basis. Coordination or unification of local groups in a single organization was not considered, although contact between groups could be established for the purpose of exchanging both leaders and experiences. The formation of political youth groups was not permitted in the enclave, and parties and religious groups were prohibited from activities among young people. Former groups, such as the Socialist Workers' Youth, the Free German Youth, and the Falcon Movement, were dissolved. Youth activities were confined to the operation of leisure-time programs, including sports, hiking, dancing, and unpolitical discussions. Membership was voluntary, but all leaders had to submit to a personal examination by MG. The institution of training courses for leaders was planned.

In Greater Hesse, where MG policies were somewhat more lenient, the authorities approved the organization of religious youth groups, but were opposed to the formation of teen-age organizations sponsored by political parties or "ideological" groups.¹⁷ All youth organizations, whether independent or part of an adult organization, must have a license, ¹⁸ application for which must be accompanied by a declaration that no political activity or contact with political parties was intended.¹⁹ Youth clubs appeared in all cities and towns.

³⁷ PID: Digest, No. 167; News of Germany, No. 61; TBIS: ticker, Nov. 16, 1945.

Fuldaer Volkszeitung, Feb. 27, 1946.
 Frankfurter Rundschau, Feb. 1, 1946.

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Youth committees and organizations in Greater Hesse appeared divided in their opinion on the prohibition of political groups. Church leaders favored a uniform youth group and warned against splits.²⁰ Furthermore, the Christian Democratic youth protested against the admission of the Free German Youth to Greater Hesse.²¹

Reports from Hesse indicated that in spite of previous rulings a number of youth groups with specific political interests have been organized. Socialist youth groups, an Association of Young Christian Democrats,22 the Free Democratic Youth,23 and the Free German Youth 24 all appeared. In some instances, these groups operate within established political parties and seem to be restricted to members who are 18 years of age or above. In other cases, their affinity to individual parties is apparent on ideological grounds only, and has not led to actual affiliation. Inasmuch as the letter of the law has thus been respected, authorities appear to have seen no cause for prohibiting the activities of these groups thereby forcing the issue into the open. Consequently, the Free Democratic Youth, according to the press,25 was licensed by MG; the first public meeting in Hesse of the FDJ was allegedly attended by representatives of MG, civic leaders, and delegates of the antifascist parties.26

In Bavaria, youth committees met under the auspices of city authorities. MG directives, as interpreted by Mayor Karl Scharnagl in Munich,27 provided for the formation of voluntary youth groups devoted to religious, cultural, or recreational activities. It appears that the directives did not exclude explicitly the admission of political youth organizations. In a number of places organizations, some political, most of them nonpolitical, came into being.28 The following groups exist in Munich: the *Pfadfinder*, (non-partisan), the Pfadfinderschaft St. Georg (Catholic), the Jungsozialisten, the Falken (Socialist), the Freie Deutsche Jugend (allegedly non-partisan, presumably Communist-supported).20 Applications for licenses have been filed by Catholic, Protestant, Democratic, and Social Democratic groups. 30 MG officials themselves have encouraged the creation of such youth groups.

Public authorities in Bavaria seem to have preferred the non-political type of youth organization on the Anglo-American model, preferably under adult leadership.³¹ Of particular importance was the establishment of a national scouting movement for boys (Reichsschaft deutscher Pfadfinder).³² Mayor Scharnagl announced that the German scouts would be organized and trained with the help of leaders from the Boy Scouts of America now serving with the occupation forces. Reportedly, suggestions have been advanced to American authorities that a small number of acceptable German youth leaders may also be sent to the U. S. for training.³³

In Württemberg-Baden U. S. policies appear to have been most liberal. The chief objectives of the program for the public care of youth have been outlined by a spokesman of the Land government: (1) to gather all genuine democratic forces on the basis of mutual respect; (2) to grant freedom to all associations in the performance of their activities; (3) to emphasize all elements of common and unifying interest; (4) to enroll all youth discharged from school, without regard to religion, party affiliation, or professional status; (5) to provide guidance to the sources of knowledge and culture; (6) to fight against superficiality, carelessness, and lack of judgment.³⁴

The organization of youth along political lines has apparently never been barred in Württemberg-Baden. Consequently, a multitude of youth groups have sprung up, including party-affiliated and church-sponsored organizations as well as independent associations, scout groups, and social and recreational clubs. In Württemberg six organizations had been licensed by February 1946:

²⁰ PID: Digest, Feb. 27, 1946.

²¹ FBIS: ticker, Mar. 2, 1946.

² Ibid.

²⁰ Frankfurter Rundschau, Feb. 19; Wiesbadener Kurier, Feb. 20, 1946.

²⁴ Wiesbadener Kurier, Mar. 6, 1946.

²⁵ Frankfurter Rundschau, Feb. 19, 1946.

²⁶ Wiesbadener Kurier, Mar. 6, 1946.

²⁷ Süddeutsche Zeitung, Dec. 28, 1945.

²⁸ FBIS: ticker, Oct. 16, 24, 1945; Der Allgäuer (Kempten), Feb. 6, 1946.

²⁰ Die Neue Zeitung, Apr. 15; Frankenpost, Apr. 13, 1946.

³⁰ Die Neue Zeitung, Jan. 4, 1946.

¹¹ In Coburg, for instance, the youth committee, with the support of MG, has assumed responsibility for the organization and education of youth through three recreational groups (*Neue Presse*, Feb. 16, 1946).

³² Oberbayerisches Volksblatt (Rosenheim), Feb. 1, 1946. In spite of its name, this scouting movement is confined to Bavaria.

³³ Süddeutsche Zeitung (Munich), Jan. 29, 1946.

³⁴ Stuttgarter Zeitung, Jan. 9, 1946.

the Protestant Youth, the Catholic Youth, the Trade-Union Youth, the Sport Youth, the Swabian People's Youth (Schwäbische Volksjugend), and the German Boys (Deutsche Jungenschaft). In Mannheim (Baden) the organizations that are said to exist are Catholic Youth, Protestant Youth, Democratic People's Party Youth Group, Christian Democratic Union Youth Group, Social Democratic Party Youth Group, Communist Party Youth Group, Trade-Union Youth Organization, and Boy Scouts.

Numerically speaking, the participation of youth in these groups is not very strong as yet, although their popularity is on the increase. According to recent rather optimistic estimates (May 1946) a total of 241,000 young people are said to be enrolled in youth organizations within the U. S. zone; that is, 81,000 in Bavaria, 75,000 in Greater Hesse, and 85,000 in Württemberg-Baden. It should be remembered, however, that the number of school children between 6 and 14 in elementary schools alone amounts to 1,081,382 in Bavaria, 412,230 in Greater Hesse, and 412,666 in Württemberg-Baden.

BRITISH ZONE. British occupation authorities have moved with considerable caution in permitting the re-establishment of youth organizations. Although Field Marshal Montgomery announced his support rather early, final approval was conditioned upon the successful completion of a certain amount of preparatory work.36 To this end, training courses for youth leaders were inaugurated.37 British experts were to participate in seminars for youth leaders and to familiarize German youth with the structure and programs of youth groups in Great Britain. Members of British youth groups have, in fact, come to Germany to discuss fundamental and practical problems with welfare and youth organizations. British MG officers have agreed to provide German youth groups with the necessary physical facilities.³⁸

To insure the political reliability of the leaders, British authorities have required very high qualifications for youth leaders, helpers, and educators. A special clause in the directive bars all persons disqualified for political reasons.³⁹ Since there has been a shortage of leaders and helpers, British officers have themselves devoted a great deal of their time to the youth groups.⁴⁰

A directive, dated March 6, 1946, of the Oldenburg State Youth Office (Landes jugendamt) summarizes MG regulations on the formation of youth groups.41 Emphasis in this summary is placed on the political integrity of programs, leadership, and membership. The program must be democratic, anti-National Socialistic, and antimilitarist. Party politics are excluded. Active officers of the Wehrmacht, the police, and semimilitary organizations are excluded from leadership, as are personalities who have been "active in political life". Leaders of the Hitler Youth are barred for the time being. Excluded from membership are all who were members of the NSDAP or one of its formations before January 30, 1933, including the Hitler Youth, and all leaders of the Nazi Party above the position of Ortsgruppenleiter, Sturmführer, or equivalent ranks. All members above 18 years of age need the special permission of MG. So do all members of adult organizations which accept juveniles under 18 as members.

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Other directives have placed the responsibility for youth groups on state and county youth officers (Landesjugendamt and Kreisjugendamt). The work of these offices and groups has been fairly successful. As of the end of February a total of 236,952 young people (about 10 percent of all school children) were reported to be organized in 4,020 groups, 50 percent of which were active in the Rhineland alone.⁴²

The drive to get German youth organized has met with considerable support on the part of the older generation, which has willingly accepted its share in the responsibility. Yet the drive is hampered by impediments similar to those in other zones, above all by the lack of experienced and suitable German youth leaders. Nevertheless, a number of new organizations have sprung up, including so-called independent groups, which concentrate their activities on sports and cultural programs, occasionally on debates, foreign languages,

[∞] The last group is a revival of one of the more radical elements of the former youth movement; *Fränkischer Tag*, Mar. 2, 1946.

³⁶ Die Neue Zeitung, Jan. 4, 1946.

⁸⁷ Hamburger Presse, Jan. 2; PID: Digest, Feb. 27, 1946.

⁸⁸ Neue Rheinische Zeitung (Düsseldorf), Feb. 13, 1946.

^{**} Fränkischer Tag (Bamberg), Feb. 9, 1946.

⁴⁶ PID: Digest, Jan. 25, 1946.

⁴¹ Nordwest-Nachrichten (Oldenburg), Mar. 8, 1946.

⁴² Ruhr-Zeitung (Dortmund), Mar. 2, 1946. The relatively high percentage of organized youth in the Rhineland is, at least in part, attributable to the predominance of religious, notably Catholic, influence and organization.

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lectures on foreign countries and correspondence with their youth, dramatics, journalism, carpentry, dancing, and nature study. Youth groups created so far include Protestant and Catholic youth leagues, trade-union youth groups, the German Free Units (Deutsche Freischar), the Free German Youth, and political groups organized within or outside political parties, such as the Young Socialists (Jungsozialisten), the Falcons (Falken), Socialist Labor Youth (SAJ—Sozialistische Arbeiterjugend), the CDU youth, and ethnic minority groups, e.g. Danish.⁴³

Socialist groups are said to exist in Essen, Cologne, Flensburg, and other places. Communists are reported active in the Ruhr area. Both leftist parties are reported to resent what they consider the favoritism shown religious groups, and to be anxious to organize their own youth on a wider scale.

As a result of their tactics of couching political activities for youth in the form of a seemingly independent and neutral youth movement, the so-called Free German Youth, the Communists have succeeded in organizing youth without permission. Young Communists under 18 years of age are encouraged to join this group, while the older youth is reported to be organized in social groups for the purpose of political education and, later on, in cells of five, led by experienced party members.

If Bochum, where five organizations are reported,44 can be considered a typical example of the administration and operation of youth, then the following principles seem to prevail within the British zone: At the top of the administrative hierarchy stands the local representation for youth care (Ortsvertretung für Jugendpflege), which is composed of representatives of the city administration, the county school councilors, the leaders of the local youth organizations, and outstanding athletes or sportsmen. The executive management is in the hands of the office for schools (Schulamt). A youth leader is appointed to maintain liaison with all local youth organizations. All youth organizations are permitted to establish sub-groups. In Bochum, the five youth organizations have 55 sub-groups with a total membership of 6,000 young people.45

French Zone. There is evidence that the French insisted on an initial period of quiet during which careful preparations were made for the resumption of youth activities. This phase now seems

concluded, and the re-establishment of a number of youth organizations, political and non-political, is expected. Those listed include: the Protestant Youth Organization (Evangelisches Jugendwerk), the Y.M.C.A. (Christlicher Verein Junger Männer), the Catholic Swabian Youth (Katholische Schwaben-Jugend), and the Young Swabian League (Bund Jungschwaben), a Social Democratic organization. According to latest reports, the formation of a youth council in Freiburg has been interpreted as an official sign of French willingness to acknowledge the participation of youth in the process of democratic reconstruction.

Programs of German Groups

The re-emergence of youth groups with a specific religious or ideological affiliation appears to be much more the result of efforts by adult groups to secure the continuity of their organizations than the manifestation of a spontaneous interest in certain ideologies on the part of the broad masses of youth. Youth interested in organization frequently rejects any party-affiliated youth group as a mere reproduction of the Hitler Youth. Furthermore, National Socialism and the war robbed the democratic forces in Germany of the majority of its youth and, in particular, of its trained leadership; few leaders are left who remember political organizations which were not National Socialist. Consequently, ideological and, especially, political youth groups are weak. In most cases, they are not only initiated and sponsored by adult groups, but are also led by adults and may even form, organizationally, a part of the parental body. Their aims and programs seldom differ thereby from those of their sponsors.

Religious Youth Groups. Catholic youth groups are distinguished by a most carefully devised organizational framework. Central control is vested in the bishop of the diocese, who issues the regional directives. (Reich, i.e. nation-wide, associations are no longer being formed.) Within a

⁴³ Kieler Kurier (Kiel), Mar. 30, 1946.

[&]quot;The Catholic Youth Movement of Greater Bochum, the Protestant Youth Movement of Greater Bochum, the Protestant Youth League for Resolute Christianity ("EC"), the Free German Youth Movement, and the Falcons.

⁴⁵ Ruhr Zeitung, Mar. 13, 1946.

⁴⁶ PID: Digest, Feb. 8, 1946.

⁶⁷ Ibid., Apr. 12, 1946.

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diocese all Catholic youth belongs automatically to the so-called Parish Youth (Pfarrjugend); in addition, Catholic youth is free to join the Catholic Youth (Katholische Jugend), which is described as a "voluntary community of living" (Freigewollte Lebensgemeinschaft). The Catholic Youth is divided in three age groups, 10 to 14, 14 to 18, and 18 to 25. The oldest group constitutes the nucleus of the organization and is expected to provide the leaders for the other two.48 The numerical progress of the Catholic Youth in the western zones appears to be considerable; in Munich, the Catholic youth groups boast of 13,000 members.49 Objectives and activities are strictly clerical in their orientation. Sports are not planned except for games and hiking for the younger members. Emphasis is placed on close collaboration between school and church.50

Protestant youth groups are less rigidly organized. Their activities, however, are likewise strictly religious. Musical education is stressed. Although sports as such play no part, hiking is planned. Political discussions are avoided, as are all controversial subjects involving Catholic or Protestant issues.⁵¹

Party Youth Groups. The youth groups of the Christian Democratic Union, too, emphasize religious education, i.e. education "in a fixed direction". Political organization is reserved for those over 20 years of age. In Greater Hesse as well as Bavaria and probably in the other regions as well, the CDU youth groups form no separate organization. Although in Frankfurt those over 18 are gathered in a special group for the purpose of political discussion, CSU youth in Bavaria operates through special youth committees but has no separate organizational status within the party.

At a recent conference of 150 youth representatives in Bavaria, 70 percent of those attending were less than 25 years of age.

The youth of the Democratic Party, while agreeing with the CDU that political maturity is not achieved before the age of 24, rejects religious education as the sole subject and proposes a broad professional and scientific as well as moral education until about the twentieth year.⁵²

The youth group of the Social Democratic Party pleads for education in a socialist and democratic sense. The SPD youth comes out for the organization of youth with clearly defined ideological bases. Objectives are outlined as follows: (1) the reorganization of society on a democratic socialistic basis; (2) complete eradication of all Fascist ideas from German culture; (3) imbuing German youth with democratic thoughts and methods of democratic thinking; (4) continuous struggle against the re-emergence of militarism in any form; (5) initiation of sports and recreational and cultural activities as a means of overcoming the present demoralization of youth. The Socialists are said to be interested in gaining the support first of all of veterans and prisoners of war. Leadership is scarce, consisting chiefly of former Socialist youth leaders. Education is accomplished by degrees. In some groups, no attempt is made to indoctrinate the members with Marxist teachings. Even direct attacks on Fascism and militarism may be avoided.

In Bavaria, however, young Socialists, operating as part of the Social Democratic Party, are taking a more active part in regional politics. For example, Minister President Wilhelm Hoegner's conciliatory attitude toward the Catholic Church was sharply criticized by some of the young organized Socialists. Others expressed disagreement with the policy of not merging with the Communist Party. The congress of Young Socialists recently held in Frankfurt-am-Main also revealed a growing awareness of Socialist youth concerning immediate problems of national and local significance. Resolutions adopted at this congress resembled in form and substance those adopted at youth meetings in the Soviet zone. Emphasis was placed on vocational training, employment, the fight against juvenile delinquency, international collaboration, and political education.53

Organization appears to take place on two age levels. The older group, above 18, is gathered in

⁴⁸ Darmstädter Echo, Feb. 23, 1946. Earlier reports indicated that the head of the organization was Bishop Albert Stohr of Mainz. He is said to be assisted by three priests, who report to the Bishops' Conference in Fulda (FBIS: ticker, Oct. 10, 1945).

⁴⁰ Die Neue Zeitung, Apr. 15. According to reports of April 1946, Catholic elements within the British zone appear to have revived the "Quickborn", a Catholic youth movement of pre-Nazi days (Der Tagesspiegel, Apr. 4, 1946).

⁵⁰ FBIS: ticker, Oct. 10, 1945.

⁵¹ Kieler Kurier (Kiel), Mar. 30, 1946.

⁸⁸ It is not clear whether the Free Democratic Youth recently established in Greater Hesse is affiliated with the Democratic Party.

⁵³ Marburger Presse, Mar. 22, 1946.

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the Socialist Education Community (Sozialistische Erziehungsgemeinschaft) and Young Socialists (Jungsozialisten); the younger in the Falcon Movement (Falken Bewegung) and in youth groups called Friendship (Freundschaft). The first group meets in seminars and social gatherings to be trained for future political functions. The Falcons are active along the lines of the old Wandervögel movement.⁵⁴

The Communist youth has not been organized under the party label. Communist speakers argue that German youth under 18 lacks the maturity, discipline, and, above all, the interest prerequisite to political organization and action. The last characterization refers to the apathy and distrust of German youth in regard to party politics. According to Communist politicians, however, the indifference of German youth toward matters political is not merely a result of present-day conditions but was characteristic of this youth even before the advent of Hitler. Consequently, Communist leaders spurn the partisan approach. In lieu of creating a separate organization these leaders appeal indiscriminately to the national instincts of German youth with demands for the establishment of an Einheitsjugend, i.e. a non-party youth move-These efforts have resulted in the formation of the Free German Youth (Freie Deutsche Jugend—FDJ) in the Soviet, U. S., and British zones. In the two latter zones, Communist leadership may not always be firmly established, nor may Communist sponsorship be apparent to outsiders or even to members of the group. (Inasmuch as the political purpose remains undeclared, authorities have refrained from interfering with the activities of the FDJ, just as they have in the case of the Falcons and other youth groups which are officially neutral but ideologically related to certain political parties.)

Little doubt can be entertained that the FDJ has its origin, sponsorship, and chief support within the Soviet zone. Its program and functions were developed by the youth committees in the Soviet zone, which in many ways can be thought of as the predecessors of the Free German Youth. Representatives of youth committees have demonstrated an interest in matters which concern the adult community as well. Speeches, statements of policy, resolutions, and activity reports made at local and regional youth conferences re-

veal that this section of organized youth wishes to participate in such matters as international collaboration, de-Nazification, reconstruction, re-education, increase of production, and vocational problems. There is equal concern about the labor market, permanent and emergency employment, recreational facilities, and cultural activities.

Invariably a few principal demands recur, which are likely to form the eventual ideological basis of the FDJ. They are: (1) Unification of all youth: "There is only one youth movement—that of the anti-fascist youth"; 55 (2) Education for democracy: "To liquidate Nazi ideology . . . re-establish a clean anti-fascist order in Germany . . . familiarize youth with the culture of the German nation and other nations, so long withheld by the Nazis"; 56 (3) International collaboration: "To educate German youth in the spirit of friendship with all nations, especially with the Soviet people"; 57 (4) Socialmindedness: "Freedom [means] conscious responsibility toward the community;" 58 (5) Integration of youth with the general political life: "Collaboration with the authorities, the political parties, and trade unions for the development of a new cultural life . . . [drawing] on the best political personalities, teachers, economists, and artists in order to shape the life of youth." 59

The Free German Youth has incorporated most of these principles into its program. Its manifesto reads:

"We boys and girls of the Free German Youth pledge ourselves in the hour of Germany's most bitter suffering to the reconstruction of our fatherland on an anti-fascist, democratic basis. We are drawn together by our devout will to overcome by a common effort the misery into which Nazism has plunged our people."

The aims set forth include the following: (1) unification of Germany; (2) freedom, humanitarianism, democracy, peace and friendship among nations; (3) participation in the task of national reconstruction; (4) participation of youth in public affairs, the achievement of professional training and status, and of social security without re-

⁵⁴ Die Neue Zeitung, Apr. 15; Kieler Kurier, Mar. 30, 1946.

⁵⁵ FBIS: Daily, Aug. 28, 1945 .

⁵⁶ Jugend auf neuem Wege, pp. 8, 44.

⁸⁷ Ibid.

⁵⁸ Die Tribüne (Berlin), Jan. 3, 1946.

⁵⁰ Ibid.

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gard to social, economic, or religious background; (5) the development of an all-inclusive youth movement, the Free German Youth.

A special declaration, promulgated by the Main Youth Committee * in Berlin, undertakes to express the objectives of the Free German Youth in the form of a Bill of Rights of Youth (Grundrechte der jungen Generation). It is based on the fundamental conception characteristic of Sovietsponsored youth policies that the Free German Youth is founded "not merely on one or another political program, or on the cultivation of sports or social life, exclusively, but on the merger (Zusammenschluss) of the younger generation for the purpose of realizing their political, economic, and cultural interests." The declaration postulates the following: (1) the granting of so-called fundamental political rights, including the right to vote at 18 and the right to hold public office; (2) the right to work, including a 42-hour week for youth of 14-16 years of age and a 45-hour week for youth of 16-18; (3) the right to recreation, including paid vacations; (4) the right to education, including grants to needy young people; (5) the "right to joy and pleasure," i.e. participation, passive and active, in artistic, literary, and other cultural activities.

To judge from press reports, the Free German Youth has made considerable progress in the Soviet zone. The total membership is estimated by some sources at 150,000 young people. At a meeting in Dresden on March 20, leaders of the FDJ pointed to an enrollment of 27,020 members within a few days. The local press has reported the participation of 12,000 members in voluntary labor projects and the like. 2

In all zones, including the Soviet zone, the FDJ remains a hotly debated issue among the German public. Demands for unity are strongly suspected as efforts by Communist elements to proselytize German youth by means of neutral labels and nationalistic slogans. Others reject the FDJ as a pseudo-political attempt to standardize youth on the totalitarian model. Its ultimate appeal in the western zones is likely to depend less on the abstract merits of its program than on the general course of German political and economic develop-

ment, and particularly on the success of the various independent youth organizations, supported by Allied authorities, in filling the moral and psychological vacuum created by the Nazi collapse.

Conclusion

After one year of Allied occupation, the status of German youth remains unsettled. The breakdown of a totalitarian system and the limited success in enlisting the active cooperation of youth in the establishment of political order appear responsible in large measure for the current political apathy and present evidences of opposition to the occupation authorities. Food shortages, lack of employment, housing conditions, lack of adequate controls, and general disillusionment all make for a growth of demoralization and criminality. The existing social vacuum offers a singular opportunity for diverse groups and agents, including subversive elements, to bid for leadership and control.

Reports from Germany show that both reactionary and democratic influences are at work among the youth. Attempts to exploit youth for nationalistic purposes have led to the organization of incipient resistance groups, to the emergence of quasi-political gangs of wayward juveniles and, subsequently, to a number of individual disturbances, none of which, however, has met with more than preliminary or local success. On the other hand, efforts by authorities and organizations to control the problem by means of educational reform, welfare programs, organized leisuretime activities, and political education have been characterized by initial but, so far, inconclusive progress. Measures taken in the eastern and in the western zones vary in the emphasis placed on either political rehabilitation or social readjustment. Soviet policies attempt to integrate youth into the over-all political pattern established for the population as a whole by encouraging participation of all youth in the process of reconstruction. Policies of the western Allies, by contrast, are chiefly focused on welfare and recreations measures as a means of reconditioning youth morally and socially. Although a certain portion of German youth appear to respond to Allied measures, the majority seem to remain in a political coma—unmoved by general promises, preoccupied with problems of physical survival, and

⁶⁰ Berliner Zeitung (Berlin), Apr. 26, 1946.

⁶¹ Die Neue Zeitung, Apr. 15, 1946. Latest figures set the total close to 190,000.

⁶² Tägliche Rundschau (Berlin), Apr. 11, 1946.

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susceptible to extreme solutions of their present dilemma.

A principal problem confronting Allied military government and German civilian authorities is thus to affirm, to strengthen, and, if possible, to extend their influence over German youth. Over and above measures designed to ensure the absence of political resistance, Allied and German policies regarding youth must be formulated with a view toward gaining the cooperation of German youth in the attempt to build a new democratic system of government and of living.

The recent announcement by American and German official quarters of an impending amnesty for youth below the age of 27 quite evidently heralds a measure inviting the confidence of German youth by means other than the display of strength and, since it will suspend or forestall altogether criminal procedures against a substantial number of German youths, it may well be interpreted as a conciliatory move intended to give German youths a chance for a fresh start. Inasmuch as it will serve to prevent the wholesale stigmatization of German youths who were compelled by circumstances to join the Nazi party, its formations, and its affiliates, the amnesty may help to remove a potential source of hostility and opposition. This effect may at least be true of young people who remain in opposition not because they are unable or unwilling to reform but because they claim to be permanently rejected by a society which is unwilling to forgive their political past.

If the amnesty is to exert a maximum affirmative influence, it needs to be accompanied by a sequence of safeguards designed to prevent indiscriminate application and abuse and by projects planned to utilize the energies of youth in a constructive man-

A useful measure in this connection will be the initiation of an educational and work program for those youths who will enjoy the benefits of the amnesty. Such a program, which will have to be carefully planned and supervised, must provide for close observation and examination of the progress made by the youths in the course of their participation. Over and above such special projects, the amnesty may accomplish desired objectives if it is conceived as a part of a general program of reeducation which aims at two main purposes, namely the eradication of all vestiges of Nazi influences from German youth and the preparation of all youths for active and productive participation in democratic processes. Such a program could include, among other things, a thorough reform of the German system of formal education, an extensive program of extracurricular education to supplement the programs of schools, a well-supervised plan for leisure-time activities, mass and group work projects for the purpose of physical and cultural reconstruction, and sponsorship and furtherance of organizations and activities under the auspices of youth. Finally, the recruitment and the employment of qualified youths in positions of responsibility may go a long way to attract the talented among them and to foster new lovalties to a system which they have been called to serve.

Ultimately, the reeducation of German youth is, of course, contingent on the improvement and consolidation of the political and economic situation as a whole.

¹With the exception of those classified by the de-Nazification law as "chief culprits" and so-called "activists, militarists, and profiteers". The law for the liberation from National Socialism and militarism was effective Mar. 5, 1946.

The United Nations

Discussion of Certain Phases of U.S. Plan for Control of Atomic Energy

BY JOHN HANCOCK 1

In the time allotted to me it seems wise that I do not attempt to discuss in detail the United States plan for the control of atomic energy put forward on behalf of the United States by Mr. Baruch to the United Nations Atomic Energy Commission.² Incidentally, I should be the last person in the world to demur to a reference to this plan as the Baruch plan, purely for purposes of identification, but I should like to emphasize that it is the United States plan.

I am sure you are all familiar with that proposal, so I should like to discuss with you some general views on this whole problem and touch upon certain phases of the plan about which there appear to have been some misunderstanding and confusion.

T

The January 24 resolution of the General Assembly establishing the Atomic Energy Commission specifically directed the Commission, among other things, to make specific proposals "For control of atomic energy to the extent necessary to ensure its use only for peaceful purposes;" and "For effective safeguards by way of inspection and other means to protect complying States against the hazards of violations and evasions." The resolution did not direct merely the drafting of a treaty in which the nations would only exchange promises.

We have taken these instructions seriously. We know that the problem of the control of atomic energy is the most crucial problem of our time. It is indeed a matter of making a choice between the quick and the dead, between world order and world chaos. The problem cannot be solved by relying on pious hopes, sanctimonious declarations, or professions of international amity and good-will. They will not be enough. This must be a treaty to be kept—a treaty which the world will know is being kept or which the world will know promptly is not being kept so that the violators can be punished immediately.

The plan put forward by the United States is the product of many minds and of many months of realistic thinking. Mr. Baruch and his associates are the grateful heirs of the work that many groups and individuals have put into this problem—scientists, military men, men of industry, members of Congress, the press, the general public and various organized groups such as your own.

From the rubbing together of ideas and of different points of view has come the United States proposal. From a democratic process has come a democratic solution. But more than that, by this procedure we have a proposed solution which has taken into account the many facets of the problem, a plan which looks at the problem as a whole, not in the light of specialized interests, a plan that will stand examination in its whole and in every part.

I know of no question before us today which is more demanding of the best thought of all of us. We must all think, think again, and rethink about the facts, about the implications that flow from the facts, and about the solutions. This, if ever, is the time for fully informed, painstaking, sound—yet imaginative—thinking. This is no time for torch bearers with uncompromising views on one segment of the problem. And in all this we will seek to understand, to synthesize, to bring together. We all have much to learn from

¹An address delivered before the Institute of the National Committee on Atomic Information in Washington on July 15 and released to the press on the same date. Mr. Hancock is a member of the U.S. Delegation to the United Nations Atomic Energy Commission.

² Bulletin of June 23, 1946, p. 1057.

each other, whatever our special field of interest. We must all strive to make our utterances responsible—rational and not emotional—certainly not such as stem from fears or incomplete consideration of the whole problem.

The United States plan, while it may startle those who seek the easy, the conventional, solution, is surely a realistic approach to the hard facts of the problem. It conforms not only to the facts and the needs of the situation but also to the mandate of the General Assembly which specifies a solution based on proposals for controls and effective safeguards.

In brief, the United States has proposed an international authority with unequivocal power to exercise full and effective control over atomic energy from birth to death and a system of swift and certain punishment for violations which shall be stigmatized as international crimes.

H

We do not expect—and we do not want—other nations to accept this plan merely because we are convinced it is a sound one. If any plan of control is to meet the needs of the world, the nations will accept it only if it serves their needs. We do feel, however, that, once the implications of the problem are fully appreciated by all nations which are earnestly and honestly seeking a sound solution, the means of handling this problem, finally arrived at, will necessarily follow the broad lines of the United States plan. So far as I know, every thorough student of the problem finally comes to the same basic conclusion.

We do not expect a quick solution. Even the most diligent and serious concentration on this matter, as has been fully in evidence in the deliberations of the Atomic Energy Commission, cannot evolve a ready answer. All nations must think this thing through-really come to grips with the facts-before they can arrive at a workable solution to which each nation will pledge its best endeavors. No matter how essential speed may be regarded, a sound plan, an effective control with adequate authority, is more essential. Nor is it enough simply to sign a treaty outlawing the bomb. We do not want a treaty covering atomic energy that will have the fate of the Kellogg-Briand pact-to mention only one. Further, it is not enough to set up a system of control such as is envisaged in the American proposal unless the nations will give it full support and subject themselves to an international inspection to prove they are doing so. In recommending an adequate system of control, including unhindered inspection which may be irritating and onerous, we fully recognize that the United States will, over a period of some years, be the primary country subjected to such inspection.

We must have patience and understanding. We must both teach and learn.

Some may say that our plan is too stiff, too novel-so demanding that it is doomed to rejection. Some go even so far as to say it was put forward in such form as to insure its rejection. To this I say it is no stiffer, no more novel, no more demanding than the facts of the problem The United States wants an effective treaty that will command the support and respect of the That is our only objective. Anything less, in our judgment, would be a delusion of tragic proportions. Any less-than-effective plan for international control of this dread force would be worse than a simple declaration to outlaw the bomb, for it would arouse false hopes of security where no security exists.

III

The fundamental instinct of man is self-preservation. The fundamental concern of nations—their primary responsibility—is also self-preservation, and nations have sought it in the concept of absolute national sovereignty and national power. National power has given a measure of security but only up to the point of clash between what nations unilaterally consider to be their vital interests and aspirations. These clashes have come with increasing frequency, and when they occur they end only in war.

While in no sense a complete guaranty of self-preservation, reliance on national power is, at present, a nation's only final choice. It will not and cannot be relinquished until a more effective means of assuring self-preservation is found.

The advent of atomic energy has thrust upon the world the imperative necessity of finding a new means of assuring self-preservation. It also points a way that this may be done. It may be the catalyst that might hopefully bring about a new and fruitful relationship of nations and peoples. We think that the plan put forward by the United States meets the challenge by making full use of the positive, developmental aspects of atomic energy on

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an international basis. Atomic energy furnishes not only the challenge but also some of the means with which the challenge can be met.

The attitude adopted in developing the United States proposal was that it must be a fair-minded plan—fair to us and fair to all other nations. We would not propose it—and I am sure that the American people would not support it—if it were not. It is a plan of self-preservation, not for ourselves alone but for the entire world.

IV

But a plan, a treaty, indeed a system of control, is not enough. The Atomic Development Authority, however skillfully contrived, cannot work unless it is staffed with personnel of unquestioned integrity and competence. It cannot work unless it commands respect and confidence throughout the world. It must become an entity firmly implanted in the minds of men, an institution firmly accepted as an integral part of our world. This will take time. Its stature will grow only as it reveals by its actual performance integrity, impartiality, and competence. It must develop, if you will, an effective system of international administrative law built around positive executive functions. It must be something really new-a world agency with executive powers stemming from a treaty tó which all nations have subscribed-something never before established.

By its positive, constructive operations it should attract men of professional competence, integrity, and good-will. By its example, the way may be open to a real community of nations founded on mutual confidence, and patterns of thought and action may be formed which might show the way to a successful tackling of the problem of war itself.

This is the vision that may one day come into reality. Is there anyone, anywhere in the world, who does not want this vision to come to pass?

But to come back to the present. We must not outpace ourselves. We must move step by step. We must proceed in the full knowledge that the vision might fade, that nations might prove unwilling to move toward world security at the price of a modicum of pride and position. We propose to conduct negotiations with this possibility in mind. The United States plan fully recognizes this possibility by providing for a step-by-step establishment of the Atomic Development Authority with requisite safeguards at every stage.

These steps and these safeguards must be specifically defined in the treaty itself.

V

I should like now to comment briefly on certain misinterpretations that have arisen concerning the plan.

First—the question of the veto. Our proposal is this: once nations, by their own voluntary sovereign act, have become parties to a treaty establishing an Atomic Development Authority and spelling out its functions and setting up certain acts as international crimes, they must be unequivocally bound to abide by their undertakings. By this we mean bound on pain of severe, swift, and certain punishment for violations. No nation, having once signed the treaty, can suddenly repudiate it and expect to escape punishment for its acts of violation. It necessarily follows, therefore, that in this field-and we are concerned with this field alone-action cannot await a second act of unanimity, the first one having occurred when the treaty was signed. On the other hand, up to the point of accepting a treaty, every nation, including the United States, surrenders nothing, but if it violates its promise once freely given it must not be a judge of its own guilt, and no other nation may be allowed to prevent its punishment.

Within the general framework of the treaty, the ADA must have broad administrative powers. It will carry out policy. It will have to make important decisions and actively operate a large-scale program. It must act. It could not operate if it had to secure unanimous approval of its action from any other organization. The Authority must have power—unequivocal, effective power—commensurate with it responsibilities. What a futile thing it would be to assign such heavy responsibilities to such a body and provide it with less than enough authority to insure the carrying out of its orders.

Exactly how the problem of the unanimity rule of the Security Council can be met in this field, what the precise relationship of the ADA should be to the other organs of the United Nations, particularly to the Security Council, remains to be established. This problem is being given first consideration, and an acceptable solution must be found. The least that must be insisted upon is that (1) once violations of the treaty have occurred, punishment must be swift and certain, and

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(2) the operations of the ADA cannot be interfered with by the device of the unanimity rule. It would seem desirable, if possible, to accomplish effective control of atomic energy within the framework of the United Nations Charter; but no nation, and none of its nationals, can be permitted, by hiding behind the shield of any provision in the Charter, to claim immunity for wilful violations of a solemn agreement voluntarily entered into, or to prevent the effective operation of the Atomic Development Authority.

Second—the status of the United States plan. The plan put before the United Nations Atomic Energy Commission on June 14 by Mr. Baruch is the proposal of the United States. That is the only official plan. It has the approval of the President of the United States and the Secretary of State. Mr. Baruch is our government's representative in conducting negotiations based on this plan. It is perfectly clear, however, that any treaty that results from these negotiations must and will be subject to the approval of our Congress. And it must be a treaty, for neither the General Assembly nor the Security Council is so constituted as to bring into being such a plan. The United States cannot be bound by any treaty unless and until it is approved in accordance with our established constitutional processes. This is so obvious that I hesitate to mention it. I do so only because it has been implied by some people that we do not seem to recognize this fact. Such people either have not read the United States proposal or are deliberately attempting to mislead, for Mr. Baruch gave his personal word to a Senate committee on this specific point. Also, in presenting the United States plan on June 14th he explicity stated: "Let me repeat, so as to avoid misunderstanding: My country is ready to make its full contribution toward the end we seek, subject of course to our constitutional processes and to an adequate system of control becoming fully effective, as we finally work it out."

Third—exchange of information. The situation on this point is clear. At the opening session of the Atomic Energy Commission Mr. Baruch said: "the United States is prepared to make available the information essential to a reasonable understanding of the proposals which it advocates." Only this and nothing more. The period of negotiation of the treaty is to be sharply distinguished from the series of stages in which the ADA will

come into full possession of all information in this field once the treaty is in full force and effect. It is in this latter series of stages that we propose making more and more information available to the Authority in step with the progressive establishment of workable safeguards, proven in operation, to protect ourselves and the world from the misuse of such information by any nation. No nation can expect us not to be firm on this point. National security is not going to be impaired while we seek, but have no firm assurance of securing, an effective treaty.

An essential step in the series of stages, yet to be specified in detail in the treaty, would be the undertaking by the United States to dispose of its stock of bombs. This can come only when we and all other nations can be fully assured that no one can turn atomic energy to warlike uses.

VI

We seek security and peace, not for ourselves alone but for all men. We believe there is a way to get this and that that way is delineated in the U.S. proposal. We pledge our best efforts to attempt to secure its acceptance by other nations. With patience, understanding, and knowledge of the facts, we must hope that all nations will come to be convinced as we are convinced that this proposal in its general objectives offers "the last, best hope of earth". We refuse to consider now what we shall do if we fail.

A sound solution to this problem does not insure solutions to the many other problems that beset nations. Their solutions, too, require patience and understanding. But if we fail in this one more critical problem of our time other problems become mere details in a doomed world.

Mr. Hancock made the following introductory remarks at the opening of the question period:

Throughout the deliberations before the Atomic Energy Commission, the U.S. Delegation has sought to give full publicity to all documents containing our proposals and suggestions. We expect to continue to do so. We hope that this practice has been of real assistance to all who are trying earnestly to increase their understanding of this problem. As you can well appreciate, we cannot—and will not—speculate about the views of other nations or about the progress of the negotiations.

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There will be many other memoranda as the days go by. It will not seem appropriate now to discuss their contents.

Since I have been thrown into close relationship with the Einstein formula that the energy produced by atomic fission equals the mass times the speed of light squared, perhaps it might be well to state my own observation regarding the problem I face in scientific terms.

I have observed that one's freedom to speak at any given time on atomic energy varies inversely as the square of his distance from the responsibility. Have I stressed enough the time factor in this observation?

Jurisdiction of the International Court of Justice

STATEMENT BY UNDER SECRETARY ACHESON 1

[Re'ea ed to the press July 15]

The proposal before the committee has as its general objective, in my view, the active participation of the United States in the movement to establish an international judiciary. An international judiciary would have the dual function of defining the law and its proper application in situations involving legal issues, and of deciding disputes of a legal character. In other words we envision the judiciary as performing the function in international relations that we ordinarily associate with the judiciary in domestic affars.

Of course, qualifications immediately assert themselves. In domestic law, the judiciary is part of a larger process, including on the one hand procedures for enforcement of decisions and on the other hand procedures for changing the law through legislation. In international relations, enforcement measures are greatly lacking, and the force and effect of decisions depend in the main upon the good faith of the parties involved. It is important to note that all decisions of the Permanent Court of International Justice were carried out, and that members of the United Nations are bound by article 94 of the Charter to comply with decisions of the International Court of Justice in any cases to which they are parties.

As to procedures for changing the law, there is nothing in international relations with legislative powers as we understand it in domestic law. The placing of disputed questions before tribunals for adjudication is one method of achieving the evolution of the law, and the establishment of an international judiciary facilitates this process. Treaty making, especially the making of multilateral treaties, is also a method of bringing about

International order thus resembles domestic order in resting upon a basis of law, and this in turn rests upon the confidence and support of the people. The processes in the international society are different because of the sovereign character of the entities that comprise it; it depends to a much greater degree on good faith and intelligence. But the central role of the judiciary is in both cases the same—it is to make the law a living and vital factor through being able, whenever necessary, to say what the law is and to give it application.

A world order based on law would by definition mean a world at peace. The participation of the United States in this program is, of course, essential if the goal is to be achieved. By adopting the proposal before the committee we may very well be taking a long and even a decisive step in the direction of crossing the line which separates world disorder from world order based on law.

I have endeavored to stress the point that the present proposal would, if adopted, be a step toward the ultimate achievement of a true international judiciary. I will describe the place and importance of the step as I understand it.

The development of the idea had its origin several centuries ago in the beginnings of interna-

necessary changes in the law. The various organs of the United Nations, in addition to the Court, have powers which will enable them to make important contributions. It is to be noted that the General Assembly is especially charged in the Charter, article 13, with the task of "encouraging the progressive development of international law and its codification". The Economic and Social Council and the specialized agencies have, perhaps, an even more important role, being specifically dedicated to the task of promoting equality and justice on those basic levels where the root causes of international disorders have their origins.

¹ Both this statement and the following one by Mr. Fahy were made on July 15 before the Senate Foreign Relations Subcommittee on Jurisdiction of International Court of Justice on S.J. Res. 196.

tional law. International law developed because it was needed, for the same reason that domestic law was developed. It was needed in order to furnish a standard of conduct upon which states could rely in their relations with each other. The development of international law has been very laborious because the sovereign status of states enables them to reject a legal settlement in any case. The law has thus been at the mercy of any state which exercised its right to pursue its objectives by political means, force, or the threat of force. It is the purpose of the declarations envisioned by the Statute, and here under discussion, to correct this situation in so far as it can be done through the acceptance of legal obligations within a prescribed sphere.

The next important step in the development of the judiciary was the institution of international arbitration. States have generally been under no general obligation to resort to arbitration, and have done so only when they could agree upon this method. The United States has taken a leading part in the development of arbitration. Throughout our history as a nation, in fact, we have prided ourselves on our devotion to the principle of peaceful, legal settlement of disputes with other nations. From the days of the Jay treaty we have led the way in the arbitration of disputes, and we did not hesitate to submit to legal decision a case as important in our history as the Alabama claims against the United Kingdom for depredations on our ships during the Civil War. Throughout the nineteenth century, the example of the United States was a potent force influencing other nations to agree to submit important questions to impartial decision in accordance with law instead of relying upon the appeal to force.

A great step forward in the development of an international judiciary was the establishment of a permanent international court in 1920, the Permanent Court of International Justice. There were thus introduced at one step several of the attributes of the judiciary. First there was a court in being, available at all times and thus facilitating the submission of international disputes. In addition, it brought about a greater degree of continuity in the development of international jurisprudence.

The United Nations have established a new International Court of Justice, the Statute of which forms an integral part of the Charter of the United Nations. The Court is a truly international organ of the United Nations, being composed of 15 inde-

pendent judges elected regardless of their nationality and bound by solemn declarations to exercise their powers impartially and conscientiously. The Court's function is to decide in accordance with international law such disputes as are submitted to it.

However, the mere existence of a court and the existence of a body of law does not result in the creation of a judiciary as we understand it. The Committee of Jurists who drafted the Statute of the Permanent Court of International Justice in 1920 were aware of this and undertook to submit a plan which made provision not only for the constitutional structure of the Court, but also vested in it the *jurisdiction* which would enable it to fulfil the role they envisioned for it. Under the proposal they submitted, all states adhering to the Statute would have accepted the jurisdictions of the Court in much the same terms as the United States is asked to accept in the proposal now before this committee.

The far-reaching potentialities of the proposal of that Committee of Jurists were of course apparent. When the draft was submitted to the Council of the League, the Italian representative correctly estimated the situation in these words:

"it was unprecedented for one State to bring another State before a tribunal without its assent and to condemn it by default; and such a procedure would in practice only be tolerated by the smaller countries."

The jurisdictional features of the Committee draft were then rejected in the Council, and also in the Assembly, despite the very eloquent appeals of representatives of some of the smaller countries that it be retained. This of course is the real essence of the whole problem of the international judiciary. The rule of law becomes effective to the extent that states agree to submit themselves to the decision of the Court in all cases involving questions of law. It cannot become effective if states may reserve this decision to themselves, regardless of the degree of good faith by which they govern their actions. It seemed to the Committee of Jurists in 1920, and it seems to many people today, that the appropriate remedy for this situation would be the general acceptance of an international judiciary with powers adequate to enable it to fulfil the elementary function of a judiciary to decide any questions of international law.

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the concept of the international judiciary, it is of interest to note that one of the members of the 1920 Committee of Jurists, and one who strongly advocated the compulsory-jurisdiction provision, was the distinguished American, the Honorable Elihu Root, former member of the Senate Foreign Relations Committee, former Secertary of War and Secretary of State. The opposition of other great powers to these proposals in 1920 was shared in the United States to such an extent that, as you know, it was never possible for this country even to join the Court, much less to submit to its compulsory jurisdiction. However, the proposal to join the Court was advocated by every President and Secretary of State during the inter-war period, was twice favorably reported by the Senate Foreign Relations Committee, and actually had a majority of the Senate, but lacked the necessary two-thirds.

In the meantime a considerable development of the idea of compulsory jurisdiction took place in other countries.

In rejecting general compulsory jurisdiction the League approved in its place a provision enabling such states as desired to do so to accept the jurisdiction of the Court as among themselves in certain types of cases. At one time or another 44 states, including 3 of our great-power Allies in the recent war, China, France, and the United Kingdom, availed themselves of this provision—known as the Optional Clause.

In the 1945 Committee of Jurists which met in Washington to prepare proposals for the San Francisco conference regarding the Court Statute and again at the San Francisco conference, it was evident that a great body of world opinion was in favor of general compulsory jurisdiction. Some of the larger states were, however, opposed, and among these the United States took the position that such a provision might imperil acceptance of the Charter. Consequently, after one of the most substantial debates of the entire San Francisco conference, the same compromise was adopted as had been incorporated in the Statute of the Permanent Court of International Justice. That is, it is left to the states individually to deposit declarations to be effective for this purpose among themselves. The Conference went further, however, first in providing that declarations made under the old Statute and remaining in force shall as among the parties to the present Statute continue in force for so long as they still have to

run. Some 19 declarations have thus been continued in force. Secondly, Commission IV of the Conference adopted a recommendation that as soon as possible the members of the Organization make declarations recognizing the obligatory jurisdiction of the Court. It is the proposal now before the committee that the United States should make such a declaration.

There were also incorporated in the United Nations Charter provisions strongly supporting the resort to law. In the Preamble the members of the United Nations declare their determination "to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained". Among the purposes of the United Nations as set forth in article 1, paragraph 1, of the Charter is the settlement of international disputes "in conformity with the principles of justice and international law".

At the present time we have agreed, in the Charter of the United Nations, article 2, paragraph 3, to settle our "international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered." We have bound ourselves, by article 37 of the Charter, to refer a dispute the continuance of which is "likely to endanger the maintenance of international peace and security" to the Security Council if we fail to settle it by means agreed upon with the other party. Under such circumstances, the Security Council may either recommend appropriate procedures of adjustment or may actually recommend terms of settlement. In other words, by the Charter, we have given up, in the interest of our peace and security, the right to be the judge of our own case in those situations where the dispute is likely to endanger the maintenance of international peace and security. While it is true that the United States is not bound to accept recommendations of the Security Council, it would be embarrassing for the United States to reject proposals which had the weight and influences of the Security Council behind them. To sum up, we might say that at the present time the commitments of the United States on the political settlement of disputes are more far-reaching than those on judicial settlement.

This, it seems to me, is an anomalous position for a country like the United States which sets great store by legal tradition. Americans from the time of the Revolution have contended that IN

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theirs was a government of laws and not of men. When our international obligations may result in recommendations by a political body instead of decision by a court in accordance with law, it seems that the time has come to accept the jurisdiction of a court which can give as a legal decision on a legal case.

It is difficult to see how any harm could come to the United States from agreeing to submit to the International Court of Justice the types of disputes covered by the resolution in question, which provides safeguards for special situations. Professor Jessup has said:

"The experience of fifty-one states including such great powers as Great Britain and France, which made declarations under Article 36 of the old Statute [of the Permanent Court of International Justice] demonstrates that this is no dangerous venture." (Philip C. Jessup, "Acceptance by the United States of the Optional Clause of the International Court of Justice", American Journal of International Law, vol. 39 (1945), p. 750.)

It seems clear that positive advantages would accrue to the United States from agreeing to accept the judgment of a court bound to decide in accordance with international law. A correlative advantage would of course accrue to the United States in being able to bring before the Court a dispute with another state which was likewise bound. There is much to be said for being able definitively to put an end to disputes through legal processes. The record of the United States in its international dealings is such that it should not dread to have its acts reviewed by a court of law. Furthermore, and this cannot be overemphasized, the United States stands to gain as much as any nation from the advancement of the rule of law in international relations.

I will conclude by stating that the President and the Secretary of State have carefully weighed the proposal before the committee and have recommended that the United States should deposit its declaration and accept the jurisdiction of the Court.

STATEMENT BY CHARLES FAHY 1

Purpose of Declaration

The purpose of the Resolution pending before the Committee is for the United States, on its part, to confer on the International Court of Justice a clearly defined jurisdiction, broad and yet limited. This would be done in the exercise of an option which all parties to the Statute of the Court have under article 36, paragraph 2.

By virtue of their sovereign status, states cannot be sued without their consent. The effort to obtain this consent on a general scale was made as long ago as 1920, when the advisory Committee of Jurists, which drafted the older Statute of the Permanent Court of International Justice, incorporated in its draft a provision for general compulsory jurisdiction with respect to legal questions. Elihu Root, the United States member, joined in this recommendation that such provision be incorporated. This effort failed, however, in the League Council and Assembly, and was renewed, again unsuccessfully, by the Committee of Jurists who met in Washington last year prior to the San Francisco Conference and again at the San Francisco Conference itself, when the present Statute was adopted.

The basic jurisdiction of the Court is thus voluntary as to disputes between states. States may, by agreement, however, consent to be proceeded against in any given case. They may by the same token refuse such consent, thus barring the possibility of a judicial determination.

The optional provision of article 36, paragraph 2, was incorporated in the Statutes of both the former Court and the present Court, to enable such states as desire to do so to agree among themselves in advance that they will accept the Court's jurisdiction in certain types of disputes and for certain periods of time. While the Statute approved at San Francisco left the matter in this situation, the Conference itself approved a recommendation urging that members of the United Nations deposit declarations under this Article as soon as possible.

Movement for Compulsory Jurisdiction

Mr. Acheson has already sketched the evolution of the "optional clause" of the Statute of the

¹ Mr. Fahy is Legal Adviser of the Department of State. This statement was made before the Senate Foreign Relations Subcommittee on Jurisdiction of International Court of Justice, on S. J. Res. 196.

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Permanent Court of International Justice and mentioned that during the life of that Court 44 states made declarations accepting compulsory jurisdiction.

After the Dumbarton Oaks Conversations, professional legal groups in this country and Canada took the view that the Court to be established as the principal judicial organ of the United Nations should have compulsory jurisdiction over enumerated kinds of cases. At the sessions of the Committee of Jurists which assembled in Washington in April 1945 to draft the Statute of the Court preparatory to the San Francisco Conference, there was keen interest in the question of the Court's jurisdiction. Representatives from Australia, Brazil, Canada, China, Costa Rica, Czechoslovakia, Ecuador, Egypt, El Salvador, Ethiopia, Guatemala, Honduras, Iran, Iraq, Mexico, New Zealand, Peru, Turkey, Uruguay, and Venezuela stated that they favored a provision in the Statute itself granting compulsory jurisdiction. Of these, the representatives from Australia, Brazil, Canada, Czechoslovakia, El Salvador, Ethiopia, New Zealand, and Turkey qualified their support in some way. The retention of article 36, paragraph 2, as it stood under the old Statute, leaving the matter to the option of each state to be separately exercised, was supported by representatives from Belgium, France, Haiti, the Netherlands, Norway, the Soviet Union, and the United Kingdom. The representative of the United States pointed out that the inclusion of compulsory jurisdiction in the Statute itself might make it difficult for some states to accept the Statute.

After much discussion, the Committee decided to submit to the United Nations Conference at San Francisco alternate drafts of article 36, paragraph 2, one embracing the optional principle and the other providing for compulsory jurisdiction in four classes of legal disputes. The Committee took this course in the belief that the question of compulsory jurisdiction was tied up with political considerations as to the acceptability of the Statute.

At the San Francisco Conference, in Committee 1 of Commission IV, which dealt with the Court's Statute, in the deliberations of which I participated on behalf of the United States Delegation and at all times followed the work and debate closely even though not always sitting, the majority of the United Nations favored a provision in the Statute itself conferring jurisdiction over

certain kinds of cases. A number indicated however, that they would not press their preference if compulsory jurisdiction could not receive unanimous approval. The United States preferred the optional procedure in the belief that compulsory jurisdiction might make acceptance of the Charter and the Statute more difficult. The decisive twothirds vote in favor of article 36, paragraph 2, the optional clause of the Statute as it now stands, was attained only by the votes of certain states which specifically recorded that they favored compulsory jurisdiction but voted for the "optional clause" in the interests of harmony.

In view of the support manifested for compulsory jurisdiction, the United Nations Conference in plenary session adopted the resolution recommending that members of the United Nations which had not made declarations accepting the jurisdiction of the Court under article 36, paragraph 2, should do so as soon as possible.

In assisting Mr. Hackworth as adviser when he was Chairman of the Committee of Jurists, and in participating closely in the work of the San Francisco Conference regarding the Court, I was deeply impressed by the strong feeling of the majority of the United Nations that the larger powers should not withhold judicial or legal questions from judicial decision by the International Court which all were agreed should be established. There was the strong feeling that impartial judicial settlement pointed the road to a rule of law in the international world, the ideal of our domestic order. They felt that for great powers to withhold from the Court assent to jurisdiction over legal questions was a means to the exercise of power without justice; and that justice under the law was not only an instrument of peace but a substitution of law for force. It seems to me to need no argument now that the United States should take a leading part in demonstrating the correctness of these sentiments and use the present opportunity to advance between nations the development of peaceful judicial processes. It would be a boon to good relations; and it would place our country where it should be in the scheme of world order.

There has been strong sentiment in favor of the acceptance of compulsory jurisdiction among professional groups in the United States, as indicated by resolutions of such organizations as the American Bar Association, the Federal Bar Association,

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the Inter-American Bar Association, and the American Society of International Law.

Limitations on Jurisdiction Conferred

Legal disputes—The jurisdiction which the resolution would grant to the Court is not unlimited. The first and most important limitation under the proposed declaration is that it will apply only to cases suitable for judicial determination, that is to say legal cases. This limitation is not only spelled out in the proposed resolution but is explicit in article 36, paragraph 2, of the Statute. In addition, article 38 states that it is the function of the Court to decide in accordance with international law. It is therefore clear that the Court cannot decide any question other than a legal question unless authorized in a special additional agreement by the parties to a given case. Neither article 36, paragraph 2, nor the declaration proposed by this resolution authorizes the Court to do anything but decide legal questions in accordance with international law.

Reciprocity—Under the proposed declaration the United States would acquire rights and obligations only as to states which have undertaken similar obligations; that is, we would not assent to be sued, for example, by a state which did not also so assent. The requirement of reciprocity is incorporated in the Statute itself in article 36, paragraph 2, as well as in the present resolution. A similar condition incorporated in the Statute of the Permanent Court of International Justice was held by that Court to mean that a limitation interposed in the declaration by one party to a suit can be relied on by the other, even though the latter has not made the same limitation in its (Phosphates case and Electricity declaration. Company case.) In the words of Professor Hudson "The Court's jurisdiction applies only to the common ground covered by the applicant's and respondent's declarations." (Hudson, The Permanent Court of International Justice, 1920-1942, p. 466.)

The limitative clause in the Statute is in article 36, paragraph 2: "in relation to any other state accepting the same obligation". Paragraph 3 of the same article states that declarations may be made unconditionally or on the basis of reciprocity, on the part of several or certain states, or for a certain time. For example, Brazil made the operative effect of its declaration in 1921 dependent upon certain other states filing declarations.

Cases arising in past—Under the proposed declaration the United States would be bound only as to disputes arising in the future.

Other modes of settlement—Under the proposed declaration the United States would be able to agree with the other party to a dispute to seek a settlement by some other means. A provision to this effect is already found in the Charter (art. 95).

Domestic jurisdiction—The declaration would exclude disputes with regard to matters which are essentially within the domestic jurisdiction of the United States. This makes explicit for this purpose a principle already incorporated in the Charter as article 2, paragraph 7, which reads: "Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state", etc.

Time limitation—The declaration envisaged could be terminated after five years, or at any time thereafter provided six months' notice is given.

States as to which U. S. would be bound—The United States would, by depositing a declaration, acquire the right and duty to sue, or be sued by, any other state having a valid declaration in force, accepting the same obligation. The right to file declarations or carry them over from the old Court is confined to states which are parties to the Statute.

A group of declarations are already in force by virtue of article 36, paragraph 5, of the Statute which provides that declarations made under the corresponding article of the Statute of the Permanent Court of International Justice and still in force, shall be deemed, as among the parties to the present Statute, to be acceptances of the compulsory jurisdiction of the new Court for such periods as they still have to run. Declarations of the following 19 states thus came into force: Australia, Bolivia, Brazil, Canada, Colombia, Denmark, Dominican Republic, Haiti, India, Iran, Luxembourg, Netherlands, New Zealand, Norway, Panama, El Salvador, South Africa, United Kingdom, and Uruguay.

It is to be anticipated that a great many other states will deposit declarations. Under the old Court Statute the total number who did this at one time or another was 44. In addition to the 19 mentioned above, whose declarations continue in force, this number included: Albania, Austria, Belgium, Bulgaria, China, Erie, Estonia, Ethopia,

Finland, France, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Paraguay, Peru, Portugal, Rumania, Spain, Sweden, Switzerland, Thailand, and Yugoslavia.

States not now members—Under the Statute, the states entitled to file declarations in accordance with article 36, paragraph 2, are "the states parties to the present Statute". Thus, under the Statute, any state becoming a party to that instrument in the future will, if it is admitted on a basis of equality with other parties, have the right to deposit a declaration.

Determination of Court's Jurisdiction

The Court determines its own jurisdiction in any case which it has under consideration (art. 36, par. 6, of the Statute). If one party claims that the Court is not properly seized of the case or that it does not have jurisdiction of a certain aspect of the case, the Court will decide. This is true whether the case is brought before the Court under a special agreement, a treaty, or a general agreement such as the one here under consideration.

Obligation to Comply with Decisions

The United States and all other members of the United Nations are bound by the Charter (art. 94, par. 1) to comply with decisions of the Court in cases to which they are parties. This obligation applies to all cases whether brought before the Court under a declaration of this kind or not. (It does not apply to advisory opinions, since there are no parties in such cases.)

Enforcement of Decisions

Although parties to cases are obligated to comply with the decisions of the Court, there is no provision for the enforcement of such decisions unless the failure to comply constitutes a threat to the peace or breach of the peace under article 39 of the Charter. There is an article in the Charter (art. 94, par. 2) which provides that a party may resort to the Security Council if the other party fails to carry out the judgment and that the Security Council may, if it deems necessary, make recommendations or decide upon measures to be taken to give effect to the judgment. This Government takes the position that the Security Council's action under this article is limited by the scope of its powers as defined in article 39, that is, it must first be determined by the Security Council that the breach constitutes a threat to or breach of the

peace or an act of aggression. (*Hearings on the United Nations Charter*, Senate Foreign Relations Committee: Pasvolsky testimony, pp. 285–287; Hackworth testimony, pp. 330–332.)

Cases Brought Under Compulsory Jurisdiction

During the life of the Permanent Court of International Justice, applicant states invoked declarations made under article 36, paragraph 2, in 11 cases. In two of these 11 cases, jurisdiction was exercised by the Court without objection. In 4 of the 11, the jurisdiction of the Court was challenged. The Court sustained the objections to its jurisdiction in two of these cases and in part in a third. In the fourth, the applicant state withdrew its reliance upon the declaration.

The two cases which resulted in substantive decisions were the Eastern Greenland cases between Denmark and Norway and the Diversion of Water from the Meuse River case between the Netherlands and Belgium. In the Eastern Greenland case, Denmark asked the Court to decide that a Norwegian decree of July 10, 1931, asserting sovereignty over a large area of Greenland, violated the prior claims of Denmark to sovereignty over this territory. The Court sustained Denmark's contention and Norway withdrew the decree. In the Meuse case, the Netherlands entered a claim because of diversion of water by Belgium. The case involved the interpretation of a treaty governing such diversions. Belgium raised no objection to the jurisdiction. The Court rejected both the Netherlands claim and a counterclaim entered by Belgium.

The two cases in which the Permanent Court of International Justice ruled that it did not have jurisdiction under the "optional clause" were the Phosphates in Morocco case between Italy and France and the Panevezys-Saldutiskis Railway case between Estonia and Lithuania. In the Phosphates case, the French Government put forward various objections to the Court's jurisdiction, including the contention that the Italian application related to situations and facts which preceded the ratification of the French declaration accepting compulsory jurisdiction and which, therefore, did not fall within its terms. The Court upheld this contention and decided that it had no jurisdiction. In the Panevezys case, the Lithuanian Government contended, on grounds of general international law, that the private claim espoused by Estonia was not national in character and that local

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remedies had not been exhausted. The Court held that the latter objection was well-founded.

In the Electricity Company of Sofia and Bulgaria case between Belgium and Bulgaria, the Court ruled out one of Belgium's claims on the ground that it had not been a subject of dispute prior to the filing of the Belgian application under article 36, paragraph 2. The Court, however, susained its jurisdiction in another aspect of the case, involving the question whether the dispute had risen prior or subsequent to the filing of declarations under article 36, paragraph 2.

In the *Pajzs*, *Cśaky*, *Esterházy* case between Hungary and Yugoslavia, the Hungarian agent withdrew its application under article 36, paragraph 2, because Yugoslavia's declaration had expired and had not been renewed as expected.

In the remaining five cases, proceedings did not advance to the point where the Court had to consider the question of its jurisdiction.

To sum up, the Court delivered judgment in two cases brought under article 36, paragraph 2. Of the five other cases which were carried to the point where the Court had to consider its own jurisdic-

tion, the Court ruled in two cases that it had jurisdiction, in two other cases that it did not, and in the fifth case that one of the objections to its jurisdiction was well-founded.

Judges of the International Court of Justice

The judges of the International Court of Justice

are.		
Name	Country	Term (Years)
Dr. José Gustavo Guerrero, President	El Salvador	9
M. Jules Basdevant, Vice President	France	9
Dr. Alejandro Alvarez	Chile	9
Dr. J. Philadelpho de Barros Azevedo	Brazil	9
Dr. Abdel Hamid Badawi Pasha	Egypt	3
Lic. Isidro Fabela Alfaro	Mexico	6
Mr. Green H. Hackworth	United States	6
Dr. Hsu Mo	China	3
Dr. Helge Klaestad	Norway	6
Prof. Sergei Borisovich Krylov	U.S.S.R.	6
Sir Arnold Duncan McNair	United Kingdon	n 9
Mr. John E. Read	Canada	3
M. Charles de Visscher	Belgium	6
Dr. Bohdan Winiarski	Poland .	3
Dr. Medoran Zoricić	Yugoslavia	3

U.S. Representatives to Second Part of First Session of General Assembly

THE PRESIDENT'S MESSAGE TO THE SENATE

[Released to the press by the White House July 18] To the Senate of the $United\ States$:

In conformity with the provisions of the United Nations Participation Act of 1945, I am sending to the Senate herewith for its advice and consent mominations of the United States representatives and four alternate representatives for the second part of the first session of the General Assembly of the United Nations which is now scheduled to convene in New York in September 1946.

Section 2 (e) of the above mentioned Act provides that the President, or the Secretary of State at the direction of the President, may represent the United States at any meeting of the United Nations regardless of those provisions which call for the appointment of representatives by and with the advice and consent of the Senate. At my request, the Secretary of State will probably attend for at least a portion of this session of the General Assembly.

HARRY S. TRUMAN

Nominations to the Senate on July 18, 1946

The following-named persons to be representatives of the United States of America to the second part of the first session of the General Assembly of the United Nations to be held in New York City, September 1946:

WARREN R. AUSTIN, United States Senator from the State of Vermont

Tom Connally, United States Senator from the State of Texas

ARTHUR H. VANDENBERG, United States Senator from the State of Michigan

Mrs. Anna Eleanor Roosevelt, of New York

Sol Bloom, a Member of the United States House of Representatives from the State of New York

In the absence of the President or the Secretary

(Continued on page 178)

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International Organizations and Conferences

Calendar of Meetings 1

Far Eastern Commission	Washington	February 26
Allied-Swedish Negotiations for German External Assets ²	Washington	May 31-July 18
International Emergency Food Council	Washington	June 20
U.SMexican Discussions on Air Services Agreement	Mexico City	June 24
International Institute of Agriculture: Meeting of the General Assembly	Rome	July 8
Conference on German-Owned Patents Outside Germany	London	July 10
Council of Foreign Ministers: Meeting of Deputies	Paris	July 12
U. SBritish Cabinet Committee on Palestine and Related Problems	London	July 12
International Meeting of the Sugar Council	London	July 15
International Wheat Council	Washington	July 15
International Council of Scientific Unions: Meeting of the General Assembly	London	July 24-27
Peace Conference	Paris _	July 29
International Union of Geodesy and Geophysics: Extraordinary General Assembly	Cambridge, England	July 29-August 2
UNRRA: Second Half of Fifth Session	Geneva	August 5
The United Nations:		
Security Council	New York	March 25
Military Staff Committee	New York	March 25
Commission on Atomic Energy	New York	June 14
International Health Conference	New York	June 19–22
General Assembly: Second Part of First Session	New York	September 23

Activities and Developments

Far Eastern Commission

JAPANESE TAXATION OF ALIENS 3

1. No Japanese taxation should discriminate against aliens.

2. No capital levy should be levied by the Jap-

anese authorities in respect to property in or outside Japan owned by United Nations nationals. Any capital levy on corporations and unincorporated associations should be so devised as to exempt from the effects of the levy, the shares and interests in the said corporations and unincorporated associations held by United Nations nationals. If in the opinion of the Supreme Commander for the Allied Powers, exceptional circumstances justify the imposition of any such capital levy, he should refer the matter for consideration of the Far Eastern Commission.

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¹ The dates in the calendar are as of July 21.

² For discussion of accord reached with Swedish delegation on German assets in Sweden, see p. 174.

³ Policy statement approved by the FEC at its twentieth meeting, on July 18.

RESTITUTION OF LOOTED PROPERTY 1

1. Immediate steps should be taken to restore to Allied countries objects in the four categories listed below which are found in Japan and which are identified as having been located in an Allied country at the time of occupation of that country, and which were removed by fraud or duress by the Japanese or their agents. The fact that payment was made should be disregarded unless there is conclusive evidence that fraud or duress did not ake place. Restitution of any object included in category a which follows should be deferred, however, so long as its retention is required for the safety of the occupation forces. In such cases the Supreme Commander for the Allied Powers should provide an explanation of reasons for retention and an estimated date of restoration.2

[The four categories referred to above are:]

a. Industrial and transportation machinery and equipment.

b. Gold, other precious metals, precious gems, foreign securities, foreign currencies, and other foreign exchange assets.

c. Cultural objects.

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d. Agricultural products and industrial raw materials.

2. Steps should be taken to restore to Allied countries ships of all types and sizes found in Japanese waters which are identified as having been registered in an Allied country at the time of seizure or sinking by the Japanese or their agents, or at the time of acquisition by the Japanese or their agents by fraud or duress. The fact that payment was made should be disregarded unless there is conclusive evidence that fraud or duress did not take place. Restitution of such allied vessels should be accomplished as rapidly as conditions permit and should be completed not later than December 31, 1946.

3. Within the limits of feasibility, ships damged or sunk and found in Japanese waters, on the
request of the claimant country should as a matter
of priority be salvaged, repaired, or refitted as
may be necessary to permit their return in a condition substantially similar to that at the time
they came into Japanese hands. The costs of necessary salvage, repair and refitting in Japan
should be borne by the Japanese Government but
should be applied against the reparation apportionment to the claimant country.

4. The processing of claims for industrial and

transportation machinery and equipment found in Japan should not be permitted in general to delay removals of machinery and equipment on reparations account, but no item for which restitution claim has been received by the Supreme Commander for the Allied Powers should be allocated on reparations account until the claim has been acted upon. On the other hand, no restitution claim should be recognized for articles already allocated to particular countries on reparations account.

5. The claimant government should take delivery at a point in Japan designated by the Supreme Commander for the Allied Powers except that in the case of Allied vessels subject to restitution the Supreme Commander may at his discretion make delivery at Western Pacific points outside Japan whenever delivery will thereby be facilitated. Expenses incurred after delivery to the claimant government should be borne by that government, except that in the case of delivery within Japan, relevant transportation expenses within Japan and any dismantling, packing and repairs necessary for proper transportation, including the necessary manpower, materials and organization, should be borne by Japan and be included in restitution. The recipient government should indemnify the Supreme Commander for the Allied Powers against all claims made in respect of the property received.

6. Restitution claims for property other than ships should be made by the government of the Allied country from whose territory the property claimed was removed; and restitution made to that government. In the case of ships restitution claims should be filed by, and restitution made to, the government of the country whose flag the vessels were wearing or on whose register of shipping

¹ Policy statement approved by FEC on July 18, 1946.

² The United States Representative, General Hilldring, Assistant Secretary of State for Occupied Areas and alternate to General McCoy on the Commission, made the following statement for the record:

[&]quot;At the twenty-third meeting of Committee No. 1: Reparations the United States member agreed to the rejection to his amendment for the insertion of the words by the Supreme Commander for the Allied Powers' in paragraph 1 and 2 of the document but asked that it be recorded in the minutes of the committee and subsequently in the minutes of the Commission meeting that it is recognized that the Supreme Commander for the Allied Powers is the final implementing authority of policy decisions of the Far Eastern Commission."

the vessels were borne at the time of sinking, seizure or acquisition as specified in paragraph 2.

- 7. No items should be included in Japanese export programs which the Supreme Commander for the Allied Powers considers as probably subject to restitution as defined above. If items later found to be subject to restitution should be exported, equitable compensation should be made to that country to which the items exported should have been restored.
- 8. Without prejudice to other arrangements which may be made between the interested parties, the foregoing restitution policies especially those in paragraph 6, are not intended to give the Allied government concerned the right to withhold from a person who is a national of another Allied Power any property as to which he may establish a legitimate title.
- 9. The Far Eastern Commission should recommend to the Government of those countries within whose territories may be found looted objects such as:
- a. Industrial and transportation machinery and equipment.
- b. Gold, other precious metals, precious gems, foreign securities, foreign currencies, and other foreign exchange assets.
 - c. Cultural objects.
- d. Agricultural products and industrial raw materials.
 - e. Ships.

that bilateral arrangements be drawn up providing for restitution according to these principles.

10. The Far Eastern Commission should request the U.S. Government to forward this statement of policy through the usual channels to States which are not represented on the Far Eastern Commission and within whose territories such looted objects may be found.

LIAISON WITH THE SUPREME COMMANDER FOR THE ALLIED POWERS ¹

- 1. The following arrangements for liaison between the Far Eastern Commission and the Supreme Commander for the Allied Powers are presently in operation:
 - a. Regular Information from Japan. The Com-

mission now receives regularly from the Suprem Commander his monthly overall report entitle "Summation of Non-Military Activities in Japan, minutes of the meetings of the Allied Council for Japan, written reports of special missions to Japan, such as the Educational and Textile Missions, a weekly summary of developments prepared especially for the Commission by the Civil Affairs Division of the War Department, certain newspapers and magazines published in Japan, and other miscellaneous reports emanating from the headquarters of the Supreme Commander and from various United States Government agencies in Washington.

b. Spot Information. As suggested in paragraph 4 of FEC-067/2, Standard Procedures for Formal Commission Actions, the Secretariat has worked out arrangements to get such factual information as is specifically requested by committees of the Commission and is pertinent to the work of the Commission, through appropriate United States governmental agencies in Washington, and if necessary from Japan.

c. Consultation. On matters where the personal views of the Supreme Commander are desired, the Commission requests its Chairman, according to Article VI, 1 of its Terms of Reference, to arrange for appropriate consultation with the Supreme Commander.

d. Special Reports. As arranged with the State and War Departments, personnel returning from Japan are made available for personal and informal appearances with the Commission or appropriate committee, as the case may be.

e. FEC Activities. The Secretariat forwards each week a selected group of Commission papers via the War Department to the Supreme Commander and a second set to the Chairman, Allied Council for Japan. These include minutes of Commission, Steering Committee and other committee meetings, the Weekly Summary of Commission Business, and all "FEC"-designated papers. Furthermore, the United States Government ascertains the views of the Supreme Commander on issues before the Commission prior to furnishing the U.S. Representative on the Commission the expression of the U.S. Government's position on these issues.

f. Allied Personnel on SCAP's Staff. Arrangements have been completed and appropriate information circulated to the Commission (FEC-069) whereby governments represented on the

¹ Policy statement approved by FEC on July 18, 1946.

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FEC may nominate personnel for service on the staff of the Supreme Commander.

g. SCAP Request for Policy Guidance. As new matters arise in the administration of the occupation of Japan on which the Supreme Commander needs policy guidance but does not have it within the framework of his existing directives, he refers these matters to the United States Government for such guidance, and, where the matter is within the cognizance of the Far Eastern Commission, the United States Government in turn refers it to the Commission for policy decision. In these matters, with the exception of the three reserved questions, the United States Government reserves its right, according to Article III, 3 of the Terms of Reference, to issue interim directives in the event that the issue is urgent, pending the formulation of policy by the Commission. In this connection, from time to time at his discretion, the Supreme Commander may summarize the work left to be done in the occupation and the problems unanswered, with an indication of priority for consideration by the Commission.

2. In addition to the above, should the Far Eastern Commission so desire, there is no objection on the part of the United States Government to the designation from time to time of a personal emissary of the Commission to make a short trip by air to Japan. Such officer might be empowered by the Commission to indicate directly to the Supreme Commander as well as to his staff the current status of activity on the Commission; and in return to convey back to the Commission the views of the Supreme Commander and any other pertinent information which he may gather.

The International Wheat Council, which was established in August 1942 to administer the International Wheat Agreement between Argentina, Australia, Canada, the United Kingdom, and the United States, held its twelfth session at the Department of Agriculture, Washington, on July 15. The Chairman, L. A. Wheeler (U.S.), welcomed the representatives of the Governments of Belgium, Brazil, China, Denmark, France, India, Italy, and the Netherlands, and of the Food and Agriculture Organization of the United Nations. These eight Governments, together with the Governments of the Union of Soviet Socialist Republics and Yugoslavia, had been invited to join the Council in order to make it more fully representa-

tive of both wheat-importing and wheat-exporting countries.

The Chairman gave, for the benefit of the new members of the Council, a resumé of its work to date. This included a statement of the reasons why the Governments of Argentina, Australia, Canada, the United Kingdom, and the United States had agreed to amend the Memorandum of Agreement of June 1942 by the deletion of paragraphs 5, 6, 7, and 8 thereof and the substitution therefor of paragraph 5 as follows:

"5. The International Wheat Council, referred to in Article VII of the Draft Convention, shall remain in being pending the conclusions of the international wheat conference referred to in paragraph 3 above or until such time as the governments represented on that Council may determine."

The principal item of business of the meeting was the appointment of a Preparatory Committee to revise the draft convention drawn up in 1941-42 for submission to an international wheat conference. The Council invited each of the 13 governments now comprising its membership to appoint a representative on the Preparatory Committee. The Council agreed to invite representatives of the Food and Agriculture Organization and the Economic and Social Council of the United Nations to attend its meetings and those of its committees. The Preparatory Committee will hold its first meeting on July 17 to elect its chairman and organize its work with a view to reporting thereon to the Council at its next session, which will be held in Washington on August 19, 1946.

Caribbean Commission Agreement Restating Functions and Providing for International Secretariat.¹ An agreement restating the purposes and functions of the Caribbean Commission and providing it with an international Secretariat, to be located in the West Indies, was initialed on July 16 at the end of conversations in Washington among special representatives of the four Governments concerned—France, the Netherlands, the United Kingdom, and the United States.

It was decided that the Secretariat should be established in Trinidad, British West Indies. The Caribbean Commission has selected Lawrence

¹Released to the press by the Caribbean Commission July 16.

W. Cramer, former Governor of the Virgin Islands of the United States, to be the first Secretary General.

It was further agreed that a Deputy Secretary General should be appointed who should be either a French or Netherlands national. The appointment of three assistants to the Secretary General—one French, one Netherlands, and one British—was also decided upon. A clause in the agreement states that the staff of the Secretariat "shall be recruited as largely as possible within the Caribbean area and with a view to obtaining a balanced national representation".

The Caribbean Commission is an advisory international body. It has grown out of the original Anglo-American Caribbean Commission established by the United States and British Governments in March 1942, and was expanded at the end of last year when the French and Netherlands Governments accepted invitations to join the Commission as full members.

The preamble to the agreement just initialed states that the member governments have subscribed to the document,

"being desirous of encouraging and strengthening cooperation among themselves and their territories with a view toward improving the economic and social well-being of the peoples of those territories, and

"Being desirous of promoting scientific, technological, and economic development in the Caribbean area and facilitating the use of resources and concerted treatment of mutual problems, avoiding duplication in the work of existing research agencies, surveying needs, ascertaining what research has been done, facilitating research on a cooperative basis and recommending further research, and

"Having agreed that the objectives herein set

forth are in accord with the principle of the Charter of the United Nations."

The French Government was represented at the Washington conversations by Georges H. Parisot of the French Ministry of Overseas Territories and until recently Governor of Martinique, French West Indies, who is also French Co-Chairman of the Caribbean Commission. The French Commissioners present were Georges Orselli, present Governor of Martinique, and Jean de la Roche and Pierre Pelieu, Colonial Administrators. Henri Claudel of the French Embassy in Washington was also present as an adviser.

The representative of the Netherlands Government was J. C. Kielstra, Netherlands Minister to Mexico and Netherlands Co-Chairman, Caribbean Commission. L. A. H. Peters of the Netherlands Embassy in Washington attended as a Commissioner.

The British Government representative was George F. Seel, Assistant Under Secretary of State in charge of West Indian matters in the Colonial Office. The British Commissioners consisted of Sir John Macpherson, Comptroller for Development and Welfare in the British West Indies and British Co-Chairman of the Caribbean Commission, R. D. H. Arundell, Resident British Commissioner in Washington, and Norman W. Manley, K.C., of Jamaica.

The Chairman of the Conference was Charles W. Taussig, United States Co-Chairman of the Caribbean Commission, who represented the United States Government. The three other United States Commissioners also attended the meeting—Rexford G. Tugwell, Governor of Puerto Rico, Ralph J. Bunche, Department of State, and Rafael Picó, Chairman of the Puerto Rico Planning Board. Oscar L. Chapman, Under Secretary of the Interior, acted as an adviser to the United States representative.

Record of the Week

Paris Conference of Foreign Ministers, June 15-July 12

REPORT BY THE SECRETARY OF STATE 1

After every great war the victors find the making of peace difficult and disappointing. It took the 13 American states more than 5 years after winning their independence to agree upon a constitution which promised anything like a durable

peace among themselves.

To build world peace, bridging differences in ideas, values, codes of conduct, and deeply cherished aspirations, requires even greater tolerance, patience, and understanding. It requires the will and ability to seek the best, to accept the best obtainable, and then to make the best obtainable work. As war breeds war so peace can be made to breed peace.

That is why President Truman and I were determined at Potsdam last summer two months after V-E Day to set up the Council of Foreign Ministers. We were eager to have the Council start the making of peace and to make peace as

quickly as possible wherever possible.

It was obvious then that the making of peace with Germany would take time. There was no German government to deal with, and no agreement as to how soon we should permit a German government to function. It was equally obvious that a start could be made toward making peace with Italy and the states which were satellites of the Axis. They had governments. So we started

The whole world knows how great the struggle has been during the last 10 months to harmonize the views of the great powers so as to make possible the presentation of tentative drafts of treaties to a peace conference. That struggle has now been brought to a successful conclusion and the Peace Conference has been called to meet in Paris on July 29.

In addition to the Soviet Union, the United Kingdom, France, China, and the United States, the states which are represented on the Council of

Foreign Ministers, the 16 other states which took an active part in the fighting against the European Axis will be represented at the Conference.

While the Council of Foreign Ministers has made some suggestions as to the organization and procedure of the Conference, the Conference will be free to determine its own organization and procedure.

It was proposed that the meetings of subcommittees should be secret. But on our objection this provision was eliminated. I gave notice that, so far as the United States is concerned, it will use its influence to open to the press the meetings of the Conference and of its committees.

The Conference will make only recommendations. But the members of the Council are committed, in drafting the final texts of the treaties, to consider the recommendations of the Conference and not to reject any of them arbitrarily.

It is my hope that the Council of Foreign Ministers will consider the recommendations and agree upon the final text so that the treaties may be signed by the delegates before the Conference adjourns.

The drafts of treaties agreed upon are not the best which human wit could devise. But they are the best which human wit could get the four principal Allies to agree upon. They represent as satisfactory an approach to the return of peace as we could hope for in this imperfect and war-weary

The attitude of the United States in these matters represented not only the judgment of the Pres-

¹ Made on the occasion of the return of the Secretary of State from the Paris conference of the Foreign Ministers of France, the U. S. S. R., U. K., and U. S., which took place between June 15 and July 12, 1946. The address was broadcast over the national networks of the American Broadcasting Company, the Columbia Broadcasting System, and the Mutual Broadcasting System at 9 p.m. on July 15 and was released to the press on the same date.

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ident and the Secretary of State but also the judgment of Senator Connally and Senator Vandenberg, whose long experience in our foreign relations and intimate knowledge of the specific issues made their counsel invaluable.

The greatest struggle was over the Italian treaty, and the greatest issue involved in that treaty was the fate of Trieste and adjacent territory along the western shore of the Istrian Peninsula. The American Delegation, supported by the French and British, urged that Trieste and adjacent territory which are predominantly Italian should remain with Italy, and the predominantly Slavic hinterland should go to Yugoslavia.

The Soviet Union argued strongly that Trieste and adjacent territory should not be cut off from its immediate hinterland. While it admitted that a few cities and towns along the coast were predominantly Italian, it urged that the Istrian Peninsula should be regarded as a whole and that so regarded it was predominantly Yugoslav. This view was also urged by Czechoslovakia.

The Soviet Union further urged that greater consideration should be given to the Yugoslav claims than to the Italian claims because, while Italy as one of the Axis partners was responsible for bringing on the war against the Allies and for the loss of thousands of Allied lives, Yugoslavia had fought on the Allied side throughout the war and suffered from the attacks of Italy.

As neither the Soviets nor ourselves were prepared to yield, we then proposed that the issue be left to the Peace Conference, but the Soviets would not agree.

This left us in a more serious dilemma than most people realize. We could make a separate peace with Italy, leaving her Trieste, but the Soviet and Yugoslav Governments and possibly others would not accept that treaty.

If we made a separate peace, the Soviet and Yugoslav Governments would undoubtedly demand that Italy make a separate peace with them, ceding Trieste to Yugoslavia. If Italy refused, it is not difficult to foresee the difficulties which would arise.

Even if no one of us presented a treaty to Italy, a disarmed Italy could hold Trieste against the Army of Yugoslavia only so long as our troops held it for her.

In an effort to break this deadlock the French informally suggested that Trieste and adjacent territory be separated from Italy but not ceded to Yugoslavia, and that its security and integrity be internationally guaranteed.

At first no one liked this proposal. But the more it was studied the more it seemed to offer a reasonable basis for agreement. It was recalled that before Italy entered World War I she had proposed that the Trieste area should become an autonomous state.

Our delegation insisted that the area should be protected by the United Nations and not by joint agreement between Italy and Yugoslavia as the Soviets proposed, and not by the four principal Allied powers as suggested by the French. Our proposals were accepted.

The proposal as finally agreed upon leaves Gorizia and Montefalcone with Italy in the north and includes within the Free Territory of Trieste the rest of the area west of the agreed ethnic line.

It is true that the Free Territory of Trieste is predominantly Italian in the city and predominantly Slav outside of the city. But neither the Italians nor the Slavs in this territory are placed under alien rule. They are given home rule. The people will elect their own Assembly and the Assembly will elect the officials to administer the laws. They will be subject to supervision only by the United Nations Security Council and by an impartial governor appointed by the Security Council.

The prosperity and welfare of Trieste are linked not only with Italy but with Yugoslavia and the countries of central Europe. It is the natural outlet of central Europe to the Mediterranean. The only railroads entering Trieste come through Yugoslavia and are controlled by Yugoslavia. Representatives of that Government asserted that if Trieste were given to Italy they would divert traffic to Fiume or some other port in Yugoslavia.

Because of the bad feeling between the two peoples in that area, the control by the United Nations may prove to be the best means of preventing armed conflict and relieving tension.

If the area were joined either with Italy or Yugoslavia, its political and economic relations with the other would suffer. Its industries might be unable to attract the necessary capital, and labor might have difficulty finding employment.

If friendly relations are maintained between the Free Territory of Trieste and her neighbors, this little territory may enjoy greater prosperity and be a source of greater prosperity to its neighbors than would be the case if it were joined either with Italy or Yugoslavia.

I am convinced that the agreed solution to the problem of Trieste is fair and workable if the peoples most concerned work together to make it so. Unless they work together, there can be no solution.

No final decision was reached on the disposition of the Italian colonies.

It will be recalled that originally the Soviets had requested the trusteeship of Tripolitania. They stated they wanted a base in the Mediterranean for their merchant ships. The French favored Italy as trustee for all the colonies, and at the April session the Soviets expressed their willingness to accept the French proposal. Except for certain reservations in respect of Cyrenaica, the British were willing to accept our proposal to have all the colonies placed under the trusteeship of the United Nations.

In view of the difficulty the Foreign Ministers were having in reaching agreement and the danger of the colonial question becoming a pawn in the settlement of other issues, I suggested that we defer a final decision.

It was finally agreed that the ultimate disposition of the colonies should be made by the four principal Allied powers in light of the wishes and welfare of the inhabitants and world peace and security, taking into account the views of other interested governments.

If the four principal Allied powers do not agree upon the disposition to be made of the colonies within a year after the coming into force of the treaty, they have bound themselves to make such disposition of them as may be recommended by the General Assembly of the United Nations.

The four powers have further agreed to send commissions to the colonies to ascertain the wishes of the local population.

Pending the final disposition of the colonies, they will remain under the existing British military administration.

The thing I like about the agreement on the colonies is that the ultimate decision does not require unanimity. Failing agreement among the four powers, the decision rests with the United Nations.

The Soviets finally withdrew their objection to the cession of the Dodecanese to Greece and to the permanent demilitarization of the Islands.

It was, however, extremely difficult for us to reach agreement on reparations. The Soviets in-

sisted that they were entitled to at least \$100,000,000 reparations for the devastation of their territory by the Italian armies.

Moreover, under the armistice agreements with Hungary, Rumania, and Finland reparations payments of \$300,000,000 from each had been imposed. The Soviets found it difficult to reconcile themselves to a more lenient reparations policy in the case of Italy.

We on the other hand were more deeply conscious of the help that Italy gave us in the last months of the war and opposed putting on her a reparations burden which would delay her economic recovery.

We had previously agreed that reparations could be taken in war plants not needed for Italian peacetime economy and could be paid out of Italian assets in Hungary, Rumania, and Bulgaria. But the Soviets insisted that part of the reparations should come from current or future production of Italian factories and shipyards.

We reluctantly agreed that the Soviets could receive reparations up to \$100,000,000. But we required them to agree that, in so far as reparations were taken from Italian production, the deliveries must be arranged so as to avoid interference with economic reconstruction.

We further required the Soviets to agree that such deliveries should not commence for two years. In order to avoid our having to finance Italy's purchase of raw materials to furnish manufactured products to the Soviets, we also required agreement that the imported materials needed by Italy to make these deliveries should be supplied by the Soviets.

There remain some questions in the Italian treaty and other treaties on which we were unable to reach final agreement. As the Soviet Delegation took the position that they would not agree to the calling of the Peace Conference until the four governments had harmonized their views on fundamental questions, we assume that the Soviets do not regard these issues as fundamental and will accept the decisions of the Peace Conference.

I admit that prior to our meeting in April I had little hope we would ever reach agreement. After our April meeting I had less hope. Now the prospect for peace treaties with five countries is bright. Ninety days after ratification of those treaties occupation armies must be withdrawn except where they protect a line of communications. Then the people of the occupied states can live

and breathe as free people. We are on the road back to peace.

I have no desire to conceal from the American people the great struggle and tremendous difficulties the four governments had in harmonizing their views to the extent they did on these treaties. In the long run we shall have a much better chance to work out our problems if we and our Allies recognize the basic differences in our ideas, standards, and methods instead of trying to make ourselves believe that they do not exist or that they are less important than they really are.

While the Council made real progress toward peace with Italy and the ex-satellite states, it made no progress at all on the German and Austrian questions. Perhaps the time taken in discussion was not wholly lost, because our experience suggests that understandings, particularly with our Soviet friends, cannot be reached until we have gone through rounds of verbal combat, in which old complaints are repeated, past positions reaffirmed, differences accentuated, and crises provoked.

I am ready to believe it is difficult for them to understand us, just as it is difficult for us to understand them. But I sometimes think our Soviet friends fear we would think them weak and soft if they agreed without a struggle on anything we wanted, even though they wanted it too. Constant struggle, however, is not always helpful in a world longing for peace.

The Soviets started the German discussion with a prepared statement on the draft treaty we had proposed to guarantee the continued demilitarization and disarmament of Germany for at least a quarter of a century. The Soviet statement reveals how hard-pressed the Soviets were to find real objection to a treaty which gives them the assurance that Germany should never again become a threat to their security or to the security of Europe.

I do not believe that the Soviets realize the doubts and suspicions which they have raised in the minds of those in other countries who want to be their friends by the aloofness, coolness, and hostility with which they have received America's offer to guarantee jointly the continued disarmament of Germany.

Had America been a party to such a guaranty after World War I, World War II would never have occurred, and the Soviet Union would never have been attacked and devastated. Is German militarism going to be used as a pawn in a struggle between the East and the West, and is German militarism again to be given the chance to divide and conquer?

To that question there must be an unequivocal answer, for equivocation will increase unbearably the tensions and strains which men of good-will everywhere are striving to relieve.

The Soviets stated that our proposed treaty was inadequate; that it did not assure the de-Nazification and democratization of Germany; that it did not assure them reparations. But these are political matters which are already dealt with in the Potsdam Agreement.

Our military agreement of June 5, 1945 provided for the prompt disarmament of armed forces and demilitarization of war plants. By our 25-year treaty we propose that when Germany is once disarmed we shall see that she stays disarmed. We cannot understand Soviet opposition, especially as Generalissimo Stalin on last December 24th agreed with me in principle on this subject.

The Soviet representative stated he had reports that in the British zone the disarming of military forces was not being carried out. The British representative stated he had reports that in the Soviet zone German war plants were being operated.

We asked that the Control Commission investigate the accuracy of both reports. The British and the French agreed. But the Soviet Government would not agree to the investigation unless we limited it to the disarmament of armed forces.

I certainly made clear in our earlier meeting in Paris that the proposed guaranty of German demilitarization was only a part of the German settlement. I proposed then and I proposed again at our recent meeting that deputies be appointed to start work on the whole settlement which the Allies expect the Germans to accept. The British and French accepted the proposal. The Soviets rejected it.

The Soviets suggested that we have a special session of the Council on the German problem. I agreed and insisted on setting a date. But from my experience with the Italian and Balkan settlements I fear that, until the Soviets are willing to have responsible deputies who are in close touch with the Foreign Ministers sit together continuously over a period of time and find out just what is the area of our agreement and our disagreement, the exchange of views between the Ministers on

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the complicated problems of the German settlement will not be sufficient.

It is no secret that the four-power control of Germany on a zonal basis is not working well from the point of view of any of the four powers. Under the Potsdam Agreement Germany was to be administered as an economic unit and central administrative departments were to be established for this purpose.

But in fact Germany is being administered in four closed compartments with the movement of people, trade, and ideas between the zones more narrowly restricted than between most independent countries.

In consequence none of the zones is self-supporting. Our zone costs our taxpayers \$200,000,000 a year. And despite the heavy financial burden being borne by ourselves and other occupying powers, the country is threatened with inflation and economic paralysis.

This condition must not continue. At Paris we proposed that the Control Commission be instructed to establish the central administrative agencies necessary to administer Germany as an economic unit, and to arrange for the exchange of products between the zones and for a balanced program of imports and exports.

The French Government, which had previously opposed the establishment of central administrative agencies, indicated their willingness to accept our proposal when we suggested that the Saar be excluded from the jurisdiction of these agencies. The British agreed.

But the Soviets said that they could not agree to the exclusion of the Saar without further study, and therefore no immediate progress was possible.

I made clear that we were unwilling to share responsibility for the economic paralysis and suffering we felt certain would follow a continuance of present conditions in Germany.

I then announced that as a last resort we were prepared to administer our zone in conjunction with any one or more of the other zones as an economic unit. I indicated that recently we had secured cooperation with the Soviet zone in one matter and with the British in another. I explained that our offer was made not in an effort to divide Germany but to bring it together.

I stated that whatever arrangements were made with one government would be open on equal terms to the governments of the other zones at any time they were prepared to participate. The British stated that they would consider our proposal and indicated they hoped to agree. Neither the Soviets nor the French expressed any view.

Our military representative in Germany will this week be instructed to cooperate with any one or all of the three governments in essential administrative matters like finance, transportation, communication, trade, and industry. We will either secure economic cooperation between the zones or place the responsibility for the violation of the Potsdam Agreement.

Finally we came to a discussion of the Austrian problem. On June 1, I had circulated a proposed draft treaty recognizing the independence of Austria and providing for the withdrawal of the occupying troops. The British also had submitted a draft for consideration. I asked that the Deputies be directed to prepare the treaty.

The Soviets submitted a counterproposal calling first for further action to insure the de-Nazification of Austria and the removal of a large number of displaced persons from Austria whom they regard as unfriendly to them.

The British and French were willing to join us in submitting to the Deputies the consideration of the treaty and in requesting the Control Council to investigate and report on the progress of de-Nazification and on the problem of the displaced persons. But the Soviets were unwilling to agree to the Deputies' taking up the Austrian treaty until more tangible action was taken on these other two problems.

We recognize the seriousness of these problems and have been grappling with them. The problem of displaced persons is particularly difficult to solve. Where they are willing, we help them to return to their homes. But many refuse to return to their own countries because they fear death or imprisonment for their political views. Our tradition of protecting political refugees is too precious for us to consent to the mass expulsion of these people from our zone. The United Nations has a committee studying the problem, and we shall continue to do our part to try to find a solution, but it cannot be a cruel solution that will reflect discredit upon the American people.

It would be a tragedy to hold up the peace treaty with Austria because she is obliged to afford temporary refuge to these people until homes can be found for them in other countries.

We shall press on in session and out of session

to restore conditions of peace to this war-sick world, to bring soldiers back to their homes and to their families, to beat our swords into plowshares. The war has left wounds, but we must work to heal those wounds.

We do not believe in a peace based on a desire

for vengeance. We believe in justice, charity, and mercy. If we act with charity and mercy, those we fear as enemies may become our friends. We must trust to the healing processes of peace and pray that God in His mercy will give peace to the world.

Financial Agreement With Great Britain Approved by Congress

STATEMENT BY THE PRESIDENT

[Released to the press by the White House July 15]

The approval by the Congress of the Financial Agreement with Great Britain is a major step in carrying out our program for reviving and expanding international trade. The wide discussion of the measure which has taken place on both sides of the Atlantic emphasizes its importance. Full and frank debate is a basic principle of the democratic system, and I believe that the time and care given to the consideration of the agreement are insurance that our approval rests on full understanding.

The loan serves our immediate and long-range interests by helping to restore world trade. At the same time it enables Great Britain to cooperate in creating a pattern of mutually beneficial economic

relations among the nations of the world. It goes far to remove the danger of rival and antagonistic economic blocs. No one should think that this agreement between the United States and Great Britain is directed against any other country. It is not. The system of trade we seek is open on the same fair terms to all the United Nations.

While considerations of broad self-interest underlie our action, this does not mean that we have forgotten the circumstances which gave rise to Britain's present problems. It is fortunate and gratifying that this action both serves our own interests and helps to solve the problems which Britain faces as the direct consequence of having devoted her human, spiritual, and material resources so fully to the common cause.

EXCHANGE OF NOTES BETWEEN ACTING SECRETARY ACHESON AND THE BRITISH AMBASSADOR

[Released to the press July 15]

July 15, 1946.

EXCELLENCY:

I have the honor to inform you that on July 15, 1946 there were made available by an Act of Congress of the United States, approved by the President, the funds necessary to extend to the Government of the United Kingdom the line of credit in accordance with the provisions of the Financial Agreement of December 6, 1945 between the Governments of the United States and the United Kingdom.

The effective date of the Agreement, pursuant to Section 1 thereof, is therefore July 15, 1946.

May I request that any communications con-

concerning the operation of the Agreement be addressed to the Secretary of the Treasury and that a copy of such communications be sent to the Secretary of State.

Accept [etc.]

DEAN ACHESON

July 15, 1946.

EXCELLENCY:

I have the honour to refer to your note of July 15th, 1946, in which you were so good as to inform me that on July 15th, 1946 there were made available by an Act of Congress of the United States, approved by the President, the funds necessary to extend to His Majesty's Government in the United Kingdom the line of credit in accordance

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rm iles, ry the with the provisions of the Financial Agreement of December 6th, 1945, between the Governments of the United States and the United Kingdom, and that the effective date of the Agreement, pursuant to Section 1 thereof, is July 15th, 1946.

2. I have noted your request that any communications concerning the operation of this Agreement should be addressed to the Secretary of the Treasury and that a copy of such communications should be sent to Your Excellency.

Accept [etc.]

INVERCHAPEL

IOINT RESOLUTION OF THE CONGRESS 1

Joint Resolution to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Whereas in the Bretton Woods Agreements Act the Congress has declared it to be the policy of the United States "to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations"; and

Whereas in further implementation of the purposes of the Bretton Woods Agreements, the Governments of the United States and the United Kingdom have negotiated an agreement dated December 6, 1945, designed to expedite the achievement of stable and orderly exchange arrangements, the prompt elimination of exchange restrictions and discrimination, and other objectives of the above-mentioned policy declared by the Congress: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury, in consultation with the National Advisory Council on International Monetary and Financial

Problems, is hereby authorized to carry out the agreement dated December 6, 1945, between the United States and the United Kingdom which was transmitted by the President to the Congress on January 30, 1946.

Sec. 2. For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed \$3,750,000,-000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include such purpose. Payments to the United Kingdom under this joint resolution and pursuant to the agreement and repayments thereof shall be treated as public-debt transactions of the United States. Payments of interest to the United States under the agreement shall be covered into the Treasury as miscellaneous receipts.

Approved July 15, 1946.

U.S. Delegation to Belgium Luxembourg, and Netherlands To Negotiate Double-Tax Treaties

[Released to the press July 18]

Eldon P. King and certain other members of the Delegation to Belgium, Luxembourg, and the Netherlands to negotiate double-tax treaties are leaving for Brussels July 21 and 22 as announced on July 3.²

Presentations by interested members of the public relating to tax problems with Belgium, Luxembourg, and the Netherlands may continue to be addressed to Eldon P. King, Special Deputy Commissioner of Internal Revenue, Bureau of Internal Revenue, Washington, D.C., and will receive consideration by the Delegation.

¹S. J. Res. 138 (Public Law 509, ch. 577, 79th Cong., 2d sess.).

² Bulletin of July 14, 1946, p. 73.

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Accord Reached With Swedish Delegation on German Assets in Sweden

[Released to the press July 18]

Delegations representing the United States, France, and the United Kingdom have arrived at an accord with a Swedish Delegation on subjects touching German assets in Sweden and related questions which they have been studying together in Washington for the past six weeks at the invitation of the United States Government. The following statement has been agreed between the delegations:

German assets in Sweden, the nature and extent of which have been carefully examined, will be liquidated, in continuation of Sweden's policy of the elimination of German economic interests in Sweden.

Existing procedures for mutual exchange of information between the Allies and Sweden will be maintained. The proceeds of the liquidation of the German assets are now estimated to be approximately 375 million kroner. Of this amount 150 million, which shall be considered to be the remainder left after clearing of these proceeds against certain Swedish claims, will be made available by the Swedish Government to be used for purchase of commodities for the German economy. These purchases, which would otherwise be at the expense of the Allies, are not limited to the Swedish market but can be made in any other country. Provision will be made by the Allies for compensation in German money of German owners concerned by these measures.

In accordance with its policy to restitute looted property, the Swedish Government agrees to restore monetary gold acquired by Sweden and proved to have been looted by Germany. Provisionally the amount now traced and to be restored is about 7 tons.

Provision will be made for equitable compensation in Germany for removals or other dispositions by the Allied authorities of property belonging to Swedish nationals or property in which there is a substantial Swedish ownership interest.

In pursuance of its policy to participate in the work of reconstruction and rehabilitation the Swedish Government proposed to make the following contributions:

- (1) 50 million kroner to the Intergovernmental Committee on Refugees for use in rehabilitation and resettlement of non-repatriable victims of German action:
- (2) 75 million kroner for the aid and rehabilitation of countries devastated by the war who were represented at the Paris Reparation Conference.

The Government of the United States has undertaken to unblock Swedish funds in the United States according to a procedure which is being worked out. The Allies have already eliminated the "blacklists".

Other matters of common interest have been satisfactorily settled between the negotiators.

The accord is subject to ratification by the Swedish Parliament.

Mr. Seymour Rubin represented the United States in the negotiations; Mr. Christian Valensi, France; Mr. Francis W. McCombe, the United Kingdom; and Justice Emil Sandstrom, Sweden.

Treaty Obligations and Philippine Independence

REPLY OF SPANISH GOVERNMENT TO U.S. NOTE 1

[Translation]

No. 170

Washington, July 11, 1946.

Mr. Secretary:

With reference to your Excellency's courteous note dated May 4 last, on preferences which will be accorded by the United States to the Philippines as required by the "Philippine Trade Act" of April 30, 1946, I have the honor to inform you that the Ministry of Foreign Affairs of Madrid has just instructed me to inform the Department of State that the Spanish Government agrees to the customs preferences on the occasion of the independence of the Philippines.

I avail [etc.]

JUAN F. DE CARDENAS
Ambassador of Spain

¹U.S. note is similar to note sent to Bolivian Government as printed in Bulletin of June 16, 1946, p. 1049.

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Agreement on Control Machinery in Austria 1

AGREEMENT BETWEEN THE GOVERNMENTS OF THE UNITED KINGDOM, THE UNITED STATES OF AMERICA, THE UNION OF SOVIET SOCIALIST REPUBLICS AND THE GOVERNMENT OF THE FRENCH REPUBLIC ON THE MACHINERY OF CONTROL IN AUSTRIA

The Governments of the United Kingdom of Great Britain and Northern Ireland, the United States of America, the Union of Soviet Socialist Republics and the Government of the French Republic (hereinafter called the Four Powers);

In view of the declaration issued at Moscow on 1st November, 1943, in the name of the Governments of the United Kingdom, the United States of America and the Union of Soviet Socialist Republics, whereby the three Governments announced their agreement that Austria should be liberated from German domination, and declared that they wished to see reestablished a free and independent Austria,² and in view of the subsequent declaration issued at Algiers on 16th November, 1943 by the French Committee of National Liberation concerning the independence of Austria:

Considering it necessary, in view of the establishment, as a result of free elections held in Austria on 25th November, 1945, of an Austrian Government recognized by the Four Powers, to redefine the nature and extent of the authority of the Austrian Government and of the functions of the Allied organization and forces in Austria and thereby to give effect to Article 14 of the Agreement signed in the European Advisory Commission on 4th July, 1945;

Have agreed as follows:

ARTICLE 1

The authority of the Austrian Government shall extend fully throughout Austria, subject only to the following reservations:

- (a) The Austrian Government and all subordinate Austrian authorities shall carry out such directions as they may receive from the Allied Commission;
- (b) In regard to the matters specified in Article 5 below neither the Austrian Government nor any subordinate Austrian authority shall take action without the prior written consent of the Allied Commission.

ARTICLE 2

- (a) The Allied organization in Austria shall consist of
- (i) an Allied Council, consisting of four High Commissioners, one appointed by each of the Four Powers;
- (ii) an Executive Committee, consisting of one high ranking representative of each of the High Commissioners;
- (iii) Staffs appointed respectively by the Four Powers, the whole organization being known as the Allied Commission for Austria.
- (b) (i) The authority of the Allied Commission in matters affecting Austria as a whole shall be exercised by the Allied Council or the Executive Committee or the Staffs appointed by the Four Powers when acting jointly.
- (ii) The High Commissioners shall within their respective zones ensure the execution of the decisions of the Allied Commission and supervise the execution of the directions of the central Austrian authorities.
- (iii) The High Commissioners shall also ensure within their respective zones that the actions of the Austrian provincial authorities deriving from their autonomous functions do not conflict with the policy of the Allied Commission.
- (c) The Allied Commission shall act only through the Austrian Government or other appropriate Austrian authorities except:
- (i) to maintain law and order if the Austrian authorities are unable to do so;
- (ii) If the Austrian Government or other appropriate Austrian authorities do not carry out directions received from the Allied Commission;
- (iii) where, in the case of any of the subjects detailed in Article 5 below, the Allied Commission acts directly.

¹Released to the press, with permission of the Allied Commission for Austria, on July 19.

² Bulletin of Nov. 6, 1943, p. 310,

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(d) In the absence of action by the Allied Council, the four several High Commissioners may act independently in their respective zones in any matter covered by subparagraphs (i) and (ii) of paragraph (c) of this Article and by Article 5, and in any matter in respect of which power is conferred on them by the agreement to be made under Article 8 (a) of the agreement.

(e) Forces of occupation furnished by the Four Powers will be stationed in the respective zones of occupation in Austria and Vienna as defined in the Agreement on Zones of Occupation in Austria and the administration of the City of Vienna, signed in the European Advisory Commission on 9th July, 1945. Decisions of the Allied Council which require implementation by the forces of occupation will be implemented by the latter in accordance with instructions from their respective High Commissioners.

ARTICLE 3

The primary tasks of the Allied Commission for Austria shall be:

(a) To ensure the enforcement in Austria of the provisions of the Declaration on the Defeat of Germany signed at Berlin on 5th June, 1945; ⁴

- (b) To complete the separation of Austria from Germany, and to maintain the independent existence and integrity of the Austrian State, and pending the final definition of its frontiers to ensure respect for them as they were on 31st December, 1937;
- (e) To assist the Austrian Government to recreate a sound and democratic national life based on an efficient administration, stable economic and financial conditions and respect for law and order;
- (d) To assist the freely elected Government of Austria to assume as quickly as possible full control of the affairs of state in Austria;
- (e) To ensure the institution of a progressive long-term educational program designed to eradicate all traces of Nazi ideology and to instill into Austrian youth democratic principles.

ARTICLE 4

(a) In order to facilitate the full exercise of the Austrian Government's authority equally in all zones and to promote the economic unity of Austria, the Allied Council will from the date of signature of this Agreement ensure the removal of all remaining restrictions on the movement within Austria of persons, goods, or other traffic, except such as may be specifically prescribed by the Allied Council or required in frontier areas for the maintenance of effective control of international movements. The zonal boundaries will then have no other effect than as boundaries of the spheres of authority and responsibility of the respective High Commissioners and the location of occupation troops.

(b) The Austrian Government may organize a customs and frontier administration, and the Allied Commission will take steps as soon as practicable to transfer to it customs and travel control functions concerning Austria which do not interfere with the military needs of the occupation forces.

ARTICLE 5

The following are the matters in regard to which the Allied Commission may act directly as provided in Article 2 (c) (iii) above:

- (i) Demilitarization and disarmament (military, economic, industrial, technical and scientific).
- (ii) The protection and security of the Allied forces in Austria, and the fulfilment of their military needs in accordance with the Agreement to be negotiated under Article 8 (a).
- (iii) The protection, care and restitution of property belonging to the Governments of any of the United Nations or their nationals.
- (iv) The disposal of German property in accordance with the existing agreements between the Allies.
- (v) The care and evacuation of, and exercise of judicial authority over prisoners of war and displaced persons.
- (vi) The control of travel into and out of Austria until Austrian travel controls can be established.
- (vii) (a) The tracing, arrest and handingover of any person wanted by one of the Four Powers or by the International Court for War Crimes and Crimes against Humanity.
- (b) The tracing, arrest and handingover of any person wanted by other United Nations for the crimes specified in the preceding paragraph and included in the lists of the United Nations Commission for War Crimes.

³ Bulletin of Aug. 12, 1945, p. 221.

BULLETIN of June 10, 1945, p. 1051.

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The Austrian Government will remain competent to try any other person accused of such crimes and coming within its jurisdiction, subject to the Allied Council's right of control over prosecution and punishment for such crimes.

ARTICLE 6

- (a) All legislative measures, as defined by the Allied Council, and international agreements which the Austrian Government wishes to make except agreements with one of the 4 Powers, shall, before they take effect or are published in the State Gazette be submitted by the Austrian Government to the Allied Council. In the case of constitutional laws, the written approval of the Allied Council is required, before any such law may be published and put into effect. In the case of all other legislative measures and international agreements it may be assumed that the Allied Council has given its approval if within thirty-one days of the time of receipt by the Allied Commission it has not informed the Austrian Government that it objects to a legislative measure or an international agreement. Such legislative measure or international agreement may then be published and put into effect. The Austrian Government will inform the Allied Council of all international agreements entered into with one or more of the 4 Powers.
- (b) The Allied Council may at any time inform the Austrian Government or the appropriate Austrian authority of its disapproval of any of the Legislative measures or administrative actions of the Government or of such authority, and may direct that the action in question shall be cancelled or amended.

ARTICLE 7

The Austrian Government is free to establish diplomatic and consular relations with the Governments of the United Nations. The establishment of diplomatic and consular relations with other Governments shall be subject to the prior approval of the Allied Council. Diplomatic Missions in Vienna shall have the right to communicate directly with the Allied Council. Military Missions accredited to the Allied Council shall be withdrawn as soon as their respective Governments establish diplomatic relations with the Austrian Government, and in any case within two months of the signature of this agreement.

ARTICLE 8

(a) A further agreement between the Four Powers shall be drawn up and communicated to the Austrian Government as soon as possible, and within three months of this day's date defining the immunities of the members of the Allied Commission and of the forces in Austria of the Four Powers and the rights they shall enjoy to ensure their security and protection and the fulfilment of their military needs.

(b) Pending the conclusion of the further agreement required by Article 8 (a) the existing rights and immunities of members of the Allied Commission and of the forces in Austria of the Four Powers, deriving either from the Declaration on the Defeat of Germany or from the powers of a Commander-in-Chief in the field, shall remain unimpaired.

ARTICLE 9

- (a) Members of the Allied Council, the Executive Committee and other staffs appointed by each of the Four Powers as part of the Allied Commission may be either civilian or military.
- (b) Each of the Four Powers may appoint as its High Commissioner either the Commanderin-Chief of its forces in Austria or its diplomatic or political representative in Austria or such other official as it may care to nominate.
- (c) Each High Commissioner may appoint a deputy to act for him in his absence.
- (d) A High Commissioner may be assisted in the Allied Council by a political adviser and/or a military adviser who may be respectively the diplomatic or political representative of his Government in Vienna or the Commander-in-Chief of the forces in Austria of his Government.
- (e) The Allied Council shall meet at least twice in each month or at the request of any member.

ARTICLE 10

- (a) Members of the Executive Committee shall, when necessary, attend meetings of the Allied Council;
- (b) The Executive Committee shall act on behalf of the Allied Council in matters delegated to it by the Council;
- (c) The Executive Committee shall ensure that the decisions of the Allied Council and its own decisions are carried out;
- (d) The Executive Committee shall coordinate the activities of the Staffs of the Allied Commission.

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ARTICLE 11

(a) The staffs of the Allied Commission in Vienna shall be organized in Divisions matching one or more of the Austrian Ministries or Departments with the addition of certain Divisions not corresponding to any Austrian Ministry or Department. The List of Divisions is given in Annex I to this Agreement; this organization may be changed at any time by the Allied Council;

(b) The Divisions shall maintain contact with the appropriate Departments of the Austrian Government and shall take such action and issue such directions as are within the policy approved by the Allied Council or the Executive Committee;

(c) The Divisions shall report as necessary to the Executive Committee;

(d) At the Head of each Division there shall be four Directors, one from each of the Four Powers, to be collectively known as the Directorate of that Division. Directors of Divisions or their representatives may attend meetings of the Allied Council or of the Executive Committee in which matters affecting the work of their Divisions are being discussed. The four officials acting as the head of each Division may appoint such temporary subcommittees as they deem desirable.

ARTICLE 12

The decisions of the Allied Council, Executive Committee, and other constituted bodies of the Allied Commission shall be unanimous.

The Chairmanship of the Allied Council, Executive Committee and Directorates shall be held in rotation.

ARTICLE 13

The existing Inter-Allied Command in Vienna, formerly known as the Kommendatura, shall continue to act as the instrument of the Allied Commission for affairs concerning Vienna as a whole until its functions in connection with civil administration can be handed over to the Vienna Municipality. These will be handed over progressively and as rapidly as possible. The form of supervision which will then be applied will be decided by the Allied Council. Meanwhile the Vienna Inter-Allied Command shall have the same relation to the Municipal Administration of Vienna as the Allied Commission has to the Austrian Government.

ARTICLE 14

The present Agreement shall come into opera-

tion as from this day's date and shall remain in force until it is revised or abrogated by agreement between the Four Powers. On the coming into effect of the present Agreement the Agreement signed in the European Advisory Commission on 4th July 1945, shall be abrogated. The Four Powers shall consult together not more than six months from this day's date with a view to its revision.

In witness whereof the present Agreement has been signed on behalf of each of the Four Powers by its High Commissioner in Austria.

Done this twenty-eighth day of June 1946 at Vienna in quadruplicate in English, in French and in Russian each text being equally authentic. A translation into German shall be agreed between the four High Commissioners and communicated by them as soon as possible to the Austrian Government.

For the Government of the United Kingdom:
Lieutenant General J. S. Steele

For the Government of the United States of America:

General Mark W. Clark

For the Government of the Union of Soviet Socialist Republics:

Colonel General L. V. KAURASOV

For the Government of the French Republic:
General de Corps d'Armee
M. E. Bethouart

GENERAL ASSEMBLY—Continued from page 161 of State, Mr. Austin will be the senior representative of the United States of America to the second part of the first session of the General Assembly.

The following-named persons to be alternate representatives of the United States of America to the second part of the first session of the General Assembly of the United Nations to be held in New York City, September 1946:

CHARLES A. EATON, a Member of the United States
House of Representatives from the State of
New Jersey

HELEN GAHAGAN DOUGLAS, a Member of the United States House of Representatives from the State of California

JOHN FOSTER DULLES, of New York Adlai E. Stevenson, of Illinois

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Consolidation of OIC's Radio Operations

[Released to the press July 18]

Consolidation of the New York and San Francisco radio operations of the State Department's Office of International Information and Cultural Affairs was announced on July 18 by Assistant Secretary of State William Benton.

The transfer from San Francisco to New York of approximately 50 specially qualified persons began Wednesday, July 17, and is scheduled to be completed late in August. The first program from New York in the State Department's 8-language Far Eastern broadcasting schedule will be moved by land line to west-coast transmitters on August 1.

As a consequence of this operational merger, all State Department foreign voice broadcasts will originate in New York under the direction of Kenneth D. Fry, Acting Chief of the International Broadcasting Division. The State Department currently has 36 transmitters carrying voice broadcasts and Morse transmissions to other countries, and 10 of these are situated on the Pacific coast. All 10 are used for Far Eastern purposes, and in addition 6 of them carry shows to the west coast of Latin America.

The 50 persons being transferred from San Francisco to New York are language and technical experts whose qualifications OIC so far has been unable to duplicate in recruiting efforts in the east, and they will be considered for employment beyond the period of the transfer. They are all that will be retained of the present San Francisco radio force of 185. The latter figure in turn represents the remainder of an operation that totaled 900 radio, Morse, and administrative employees at its wartime peak under the Office of War Information.

After August 1, Far Eastern programs will be broadcast in English, French, Siamese, Annamese, Dutch, Chinese, Korean, and Malay. These programs cover news, commentaries, music, and informational Americana programs, many of which are taken from American domestic networks and specially revised for overseas listeners. There will be seven hours of air time daily, beginning at 5 a.m., Eastern Daylight Time. There are transmitters in Honolulu and Manila to boost delivery to China, Indonesia, Siam, French Indochina and other Asiatic areas.

Samuel H. Rickard, former president of American University in Rangoon and a veteran of the San Francisco office, will head the Far East Section in the merged set-up.

Recordings are to be made to sustain the various programs on the air while engineers and language contingents of announcers, writers, and editors are traveling to New York.

Procedure for Filing War-Damage Claims

Italy, Bulgaria, Rumania, and Hungary 1

[Released to the press July 17]

The Department of State is urgently in need of preliminary information from American nationals relating to war losses or damage to their properties located in Italy, Bulgaria, Rumania, and Hungary. All such nationals are requested to furnish a brief statement regarding such losses or damage, even though such information may have been heretofore submitted to a governmental agency. The statement should contain available information on the following points:

- (a) Name of owner
- (b) Nature and location of property
- (c) Estimated amount (in U.S. dollars) of loss or damage
- (d) Cause of loss or damage—whether as a consequence of military operations, requisition, seizure as enemy property, looting, removal, etc.
- (e) Nationality of authorities causing the loss or damage.

Claimants possessing properties in more than one of the above-mentioned countries should submit a separate statement with respect to each such country. The statement should be submitted immediately to the Office of the Legal Adviser, Department of State, Washington 25, D.C., and should in any event reach the Department not later than July 26, 1946.

This announcement does not relate to properties in countries other than those named, nor to claims arising out of agrarian or nationalization programs.

¹ For procedure for filing war-damage claims for properties located in Poland and the Netherlands, see Bulletin of June 23, 1946, p. 1083.

Procedure for Gasoline Rations to American Motorists in Europe

[Released to the press July 15]

A plan for providing a limited amount of gasoline to United States motorists traveling in five European countries on essential business, effective immediately, was announced jointly at Washington on July 15 by the United States Department of State and the European Central Inland Transport Organization (ECITO).

The plan was developed by ECITO, an intergovernmental organization with headquarters at Paris, France, in which the United States Government has membership, to meet a demand from business travelers for a guaranteed quantity of gasoline to be used in traveling with their own automobiles in certain countries which still ration motor fuel. The countries participating are: Belgium, Czechoslovakia, France, Luxembourg, and Norway.

Operation of the plan was outlined as follows: a United States resident who desires to take his automobile to one or more of the five countries listed above and who will have need for gasoline for essential travel (as attested by his possession of United States passport and visas) makes application for "ECITO Motor Fuel Letter of Credit" to an accredited travel agency at the time he obtains other necessary documents for international travel with his car. When other documents are issued he is given a letter of credit which specifically identifies the applicant and his car and contains from one to five coupons (depending on his needs), each good for 100 liters (approximately 26½ U.S. gallons) for a three months' period. Upon arrival in the foreign country, he presents his letter of credit to an office designated by the foreign government and is issued local rationing coupons which he gives to gasoline stations when purchasing fuel. This plan does not apply to cars rented or purchased abroad, fueling arrangements for which would have to be made in the country concerned.

The Department of State emphasized that only a traveler who obtains a U.S. passport and the necessary foreign visas for the countries listed, and who has the required documents admitting his car to international travel, is eligible to receive the gasoline letter of credit. It also cau-

tioned travelers on the lack of spare parts and tires in European countries, which is still greatly handicapping travel by all motorists there.

It is estimated that less than 1,500 United States residents will take their cars abroad during the year 1946. At an average of 15 miles a gallon, the maximum permissible allowance of 132 gallons would represent about 2,000 miles for three months' travel.

The Department of State has asked the American Automobile Association and the American Automobile Tourists Alliance to handle the details of issuing these gasoline letters of credit to motorists at the same time they receive the other documents required for international motoring.

Visit of Indian Labor Welfare Officer

Kanji Dwarkadas, labor and welfare officer of the Indian United Mills of Bombay, India, has recently come to the United States.

As a guest of the Department of State he will be in Washington two more weeks and will spend about five months in other parts of the country. Concerned with various aspects of industrial workers' living and working conditions, he has expressed interest in learning all he can in the United States which will be of help to India, whose leaders are devoting increasing attention to problems of social justice, social security, and economic progress.

Letters of Credence

Ambassador of China

The newly appointed Ambassador of China, V. K. Wellington Koo, presented his letters of credence to the President on July 16. For the texts of the Ambassador's remarks on the occasion of the presentation of his credentials and the President's reply, see Department of State press release 488.

Ambassador of Yugoslavia

The newly appointed Ambassador of Yugoslavia, Sava N. Kosanovic, presented his credentials to the President on July 18. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 494.

Lend-Lease Settlement and Surplus-Property Agreement With New Zealand

[Released to the press July 10]

Representatives of the Government of the United States and the Government of New Zealand on July 10 signed an agreement representing an over-all settlement of lend-lease and reciprocal aid and providing for the sale of certain United States surplus property. The agreement was signed at Washington on behalf of the Government of the United States by Dean Acheson, the Acting Secretary of State, and on behalf of the Government of New Zealand by Walter Nash, Minister of Finance.

The agreement constitutes a final settlement for lend-lease and reciprocal aid and for the financial claims of each Government arising as a result of the war. New Zealand made a notable contribution to the war effort of the United Nations measured in both sacrifice of manpower and material. This is especially true considering the relatively small population of that Dominion. Throughout the war New Zealand provided an important source of supplies for the Pacific area, all of which supplies were made available under reverse lendlease without charge to the United States. This contribution by New Zealand relieved the United States of the need to supply very considerable quantities of food and equipment to its armed forces in the Pacific areas, resulting in an important saving in our own supplies and in shipping

In the settlement just concluded it has been agreed that neither Government will make any payment to the other for lend-lease and reciprocalaid articles and services used in the achievement of victory. New Zealand has undertaken to purchase certain United States surplus war property composed of capital equipment and of non-combat aircraft and spares remaining in the Pacific area. The payment to be made by New Zealand under this agreement amounts to approximately \$5,500,-000. This amount in New Zealand currency is to be used by the United States Government for the acquisition of real estate and the construction of United States Government buildings and for the furtherance of cultural relations of mutual benefit to the two countries.

This settlement is in accord with the principles of the Reciprocal Aid Agreement between New Zealand and the United States. That agreement subscribed to the principles that settlement for lend-lease and reverse lend-lease should be such as not to burden the commerce between the two countries but to promote mutually advantageous trade relations between them and better world-wide economic relations. The settlement of the war accounts just completed thus opens the way for further collaboration between the two countries in the sphere of world economics.

The two Governments are in full accord on the objectives of a high level of employment and increased international commerce. New Zealand will take part in the forthcoming international trade and employment conference, proposed by the United States, the purpose of which is to work out agreed measures for the expansion of world trade, employment, and production and to establish permanent international machinery to foster these purposes. New Zealand has also accepted the invitation of the United States to take part in a further conference to be held early next year at which a group of major trade countries will consider specific reciprocal-trade arrangements for the mutual reduction of trade barriers and active promotion of wider trade between themselves and other countries. Furthermore, pursuant to this settlement both Governments will continue to discuss arrangements for agreed action for the attainment of the economic objectives referred to in article VII of the Mutual Aid Agreement.

The Government of the United States of America and the Government of New Zealand have reached agreement as set forth below regarding settlement for lend-lease and reciprocal aid, for certain surplus war property, and for the financial claims of each Government against the other arising as a result of World War II. This settlement is complete and final. Both Governments, in arriving at this settlement, have taken full cognizance of the benefits already received by them in the defeat of their common enemies, and of the aid furnished by each Government to the other in the

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course of the war. No further benefits will be sought as consideration for lend-lease and reciprocal aid, for surplus war property covered by this Agreement, or for the settlement of other financial claims arising as a result of World War II, except as herein specifically provided.

TEXT OF AGREEMENT 1

I

Lend-Lease and Reciprocal Aid

- 1. (a) The term "lend-lease article" as used in this Agreement means any article heretofore transferred by the Government of the United States under the Act of March 11, 1941 [1]
 - (1) to the Government of New Zealand, or
 - (2) to any other government and heretofore retransferred to the Government of New Zealand.
- (b) The term "reciprocal aid article" as used in this Agreement means any article heretofore transferred by the Government of New Zealand to the Government of the United States under reciprocal aid.
- 2. In recognition of the mutual benefits received by the two Governments from the interchange of lend-lease and reciprocal aid, neither Government will be required to make any payment to the other for lend-lease and reciprocal aid articles and services used in the achievement of the common victory.
- 3. (a) The Government of New Zealand hereby acquires, and shall be deemed to have acquired as of September 2, 1945, full title, without qualification as to disposition or use, to all lend-lease articles in the possession of the Government of New Zealand, its agents or transferees, on September 2, 1945, and not subsequently returned to the Government of the United States, other than lend-lease articles which on that date were in the possession of the armed forces of the Government of New Zealand.
- (b) The Government of New Zealand hereby acquires, and shall be deemed to have acquired as of the date of loading on board ocean vessel for shipment to New Zealand, full title, without qualification as to disposition or use, to all lend-lease articles transferred to the Government of New Zealand on or after September 2, 1945, pur-

suant to lend-lease requisitions filed by the Government of New Zealand, and not subsequently returned to the Government of the United States, which articles constituted the lend-lease pipeline for the Government of New Zealand and in respect of which no further deliveries remain to be made.

- (c) The Government of New Zealand hereby acquires, and shall be deemed to have acquired as of the date of delivery to the custody of the Government of New Zealand, full title, without qualification as to disposition or use, to all lend-lease articles, other than arms, ammunition and other lethal weapons, in addition to the articles covered by sub-paragraph (b) hereof, transferred to the Government of New Zealand between September 2, 1945, and December 31, 1945, both dates inclusive, and not subsequently returned to the Government of the United States.
- (d) In consideration of the mutual undertakings of this Agreement, no payment shall be required from the Government of New Zealand with respect to the articles covered by sub-paragraphs (a), (b) and (c) hereof.
- 4. (a) The Government of the United States hereby acquires, and shall be deemed to have acquired as of September 2, 1945, full title, without qualification as to disposition or use, to all reciprocal aid articles in the possession of the Government of the United States, its agents or transferees, on September 2, 1945, and not subsequently returned to the Government of New Zealand, other than reciprocal aid articles which on that date were in the possession of the armed forces of the Government of the United States.
- (b) The Government of the United States hereby acquires, and shall be deemed to have acquired as of the date of delivery to United States depot in New Zealand, or of loading aboard ocean vessel for shipment from New Zealand, whichever is the earlier, full title, without qualification as to disposition or use, to all reciprocal aid articles transferred to the Government of the United States between September 2, 1945, and December 31, 1945, both dates inclusive, and not subsequently returned to the Government of New Zealand,

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which articles constituted the reciprocal aid pipeline for the Government of the United States and in respect of which no further deliveries remain to be made.

(c) The Government of the United States hereby acquires, and shall be deemed to have acquired as of the date of delivery to the custody of the Government of the United States, full title, without qualification as to disposition or use, to all reciprocal aid articles, other than arms, ammunition and other lethal weapons, in addition to the articles covered by sub-paragraph (b) hereof, transferred to the Government of the United States between September 2, 1945, and December 31, 1945, both dates inclusive, and not subsequently returned to the Government of New Zealand.

(d) In consideration of the mutual undertakings of this Agreement, no payment shall be required from the Government of the United States with respect to articles covered by sub-paragraphs (a), (b) and (c) hereof.

- 5. (a) The Government of the United States, with respect to lend-lease articles, and the Government of New Zealand, with respect to reciprocal aid articles, reserve a right to recapture, at any time after September 1, 1945, any such articles other than those to which title is passed pursuant to paragraphs 3 and 4 hereof, which are now in the possession of the armed forces of the other Government and, as of the date upon which notice requesting return is communicated to the other Government, are in the possession of or under the control of such other Government, although neither Government intends to exercise generally this right of recapture. Where either Government wishes from time to time to exercise this right of recapture, such Government will give reasonable notice of its intention and, without limiting the right of recapture, will provide full opportunity to the other Government for discussion of that Government's need for the articles in question.
- (b) The Government of New Zealand may, except as provided in paragraph 8 hereof, divert any such lend-lease articles covered by paragraph 5 (a) hereof to any uses in or outside of New Zealand or its territories, but will not, without the prior consent of the Government of the United States and without payment of any proceeds to the Government of the United States, transfer to any third country any such lend-lease articles in

the categories of arms, ammunition and other lethal weapons.

(c) The Government of the United States may divert any such reciprocal aid articles covered by paragraph 5 (a) hereof to any uses in or outside of the United States, its territories or possessions, but will not, without the prior consent of the Government of New Zealand and without payment of any proceeds to the Government of New Zealand, transfer to any third country any such reciprocal aid articles in the categories of arms, ammunition and other lethal weapons.

(d) The Government of the United States, with respect to vessels transferred to the United States Navy under reciprocal aid, and the Government of New Zealand, with respect to vessels transferred by the United States Navy under lend-lease, will, unless otherwise agreed, each return to the other Government any such vessels in the possession of the recipient Government on the date when the request for return is communicated to such Government.

6. Both Governments agree that, when they dispose of articles acquired pursuant to paragraphs 3 and 4 hereof, they will use their best endeavors to avoid discrimination against the legitimate interests of the manufacturers or producers of such articles, or their agents or distributors, in each country.

II

Surplus War Property

7. The Government of New Zealand, in consideration of the value of surplus non-combat lendlease aircraft and related spares diverted to civilian use, and of the other surplus property covered by the contract between the Government of the United States and the Government of New Zealand dated December 18, 1945, as amended in this Agreement, and in order to further educational and cultural relationships between the two countries by means of scholarships or otherwise in a manner mutually agreeable, will pay to the Government of the United States the value of such aircraft and related spares and surplus property as provided in paragraphs 8 and 9 hereof, by any of the following methods or any combination thereof designated by the Government of the United States, employing in every case the rate of 3.2442 United States dollars to one New Zealand pound:

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(i) (a) by delivery of title to the Government of the United States by the Government of New Zealand of such real property and improvements to real property in New Zealand as may be selected and determined by agreement between the two Governments, aggregating in value not more than \$1,200,000;

(b) by establishment of a fund in New Zealand pounds, equivalent to not more than the remaining amount due to the Government of the United States hereunder, for expenditure in accordance with agreements to be reached between the two Governments for carrying out educational and cultural programs of benefit to the two countries;

(ii) by delivery to the Government of the United States of such other property or services in New Zealand as may be selected and determined by agreement between the two Governments, aggregating in value not more than such part of the amount due to the Government of the United States as may not have been expended under the provisions of subparagraphs (i) (a) and (i) (b) hereof;

(iii) in the event that, after three years from the date of this Agreement the two Governments have been unable to agree that the purposes described in subparagraphs (i) and (ii) above hereof can be carried out to the full extent now contemplated, any residue will be paid by the Government of New Zealand to the Government of the United States in United States dollars.

8. The Government of New Zealand will not divert to any civilian use any lend-lease noncombat aircraft or related spares in the possession of the Government of New Zealand except those acquired by the Government of New Zealand pursuant to separate agreement or agreements of sale between the two Governments. The Government of the United States will accept the return of, and will declare as surplus, all lend-lease non-combat aircraft and related spares now in the possession of the Government of New Zealand which may be selected by the Government of New Zealand for diversion to civilian use. The Government of the United States will sell and the Government of New Zealand will purchase such aircraft and related spares under the terms and conditions of the contract dated December 18, 1945, described and amended in paragraph 9 hereof. The consideration for any such sales shall be calculated at the world disposal prices as determined by the Government of the United States for aircraft and related spares of the types covered by such sales. Payment for any such aircraft and related spares shall be made in accordance with paragraphs 7 and 9 of this Agreement.

9. In the contract dated December 18, 1945, the Government of the United States agreed to sell and the Government of New Zealand agreed to purchase certain surplus property described therein up to a total value of four million dollars. The terms and conditions of that contract shall remain in full force with the following amendments:

(a) additional schedules listing non-combat aircraft and related spares and meteorological, communication, navigational and other airport articles and equipment shall be added to the contract;

(b) the amount of four million dollars shall be increased by an amount up to \$750,000 to cover the value of non-combat aircraft and related spares and by a further amount sufficient to cover the value of the meteorological, communication, navigational and other airport articles and equipment described in sub-paragraph (a) hereof;

(c) in lieu of the method of payment provided for in that contract, payment shall be made in accordance with paragraph 7 of this Agreement.

III

Other Financial Claims

- 10. (a) The Government of New Zealand hereby assumes responsibility for the settlement and payment of all claims against the Government of the United States or members of the armed forces of the Government of the United States, arising from acts or omissions of members of the armed forces of the Government of the United States occurring in New Zealand before June 30, 1946.
- (b) The following financial claims between the two Governments, arising out of existing arrangements in which the liability for payment has heretofore been acknowledged and the method of computation mutually agreed upon, are not covered by this settlement, as they will be settled in accordance with such arrangements:
- (i) Claims by either Government arising out of lend-lease requisitions filed by the Government of New Zealand in which the Government of New Zealand agreed to make direct cash reimbursement

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Surplus-Property Agreement With Brazil

[Released to the press July 12]

A contract has been signed between the United States of America and the United States of Brazil whereby Brazil will purchase the remainder of the United States surplus property located in Brazil.

The United States of America has extended credit to Brazil for a sum not to exceed eight million United States dollars to enable Brazil to purchase this property. Brazil has agreed to repay it in five equal annual instalments, beginning July 1, 1947. Interest was fixed at the rate of 23% percent a year on the outstanding unpaid balance of the total purchase price.

A major factor in the agreement is to facilitate the withdrawal of small United States troop detachments still at air bases in Brazil.

TEXT OF AGREEMENT

This contract made and entered into this 5 day of July 1946, in the city of Rio de Janeiro, by General de Divisão Alvaro Fiuza de Castro, in the building of the Ministry of War, representing the Government of the United States of Brazil, and by Field Commissioner Lehman Wellington Miller, representing the Government of the United States of America, witnesseth:

Whereas the United States of America desires to sell and the United States of Brazil desires to buy, surplus war properties brought into the United States of Brazil for use in connection with the prosecution of World War II, and

Whereas the United States of America has designated the Foreign Liquidation Commissioner and his representative, the Field Commissioner for Latin America, Eastern Division, as its authorized and acting agent to dispose of such surplus properties located in the United States of Brazil, and

Whereas it is mutually advantageous to dispose of such properties as rapidly as possible, in order to relieve the caretaking personnel of the United States of America and to provide goods needed by the United States of Brazil:

Now, THEREFORE, in consideration of the mutual covenants herein entered into, it is agreed as follows:

ARTICLE I

The United States of America agrees to sell and

the United States of Brazil agrees to buy the remainder of the movable property owned by, and which will be declared surplus to the needs of, agencies of the Government of the United States of America, and located on, or in the vicinity of, air bases in the United States of Brazil, for a sum to be arrived at in the following manner:

- (a) All of such surplus property will be catalogued by the Field Commissioner, showing the quantity, condition, location, costs to the United States of America, and purchase prices of each item or group of items as explained in sub-Paragraph (b) below. As and when each catalog is compiled it will be attached hereto and become a part hereof. The total purchase price, therefore, will become the aggregate purchase prices of all of the completed catalogs, less any adjustments made as a result of Paragraph (d) Art. I.
- (b) 1.) The sum to be paid for all spare parts and components for tactical-type airplanes used by the Government of the United States of Brazil will be computed at 15% (fifteen percent) of original cost to the United States of America less depreciation, and for all spare parts and components for commercial-type airplanes at 75% (seventy-five percent) of the original cost less depreciation, and will appear in the catalog under the column headed "Purchase Price".
- 2.) For the six vessels listed in Appendix A, and such other surplus vessels as may be agreed upon by the contracting parties hereto, the purchase price shall be computed at 30% (thirty percent) of the original cost to the United States of America.
- 3.) For all other movable goods the purchase price will be 50% (fifty percent) of the landed cost to the United States of America, such cost being less depreciation for quality, condition, and usefulness.
- (c) Within twenty days of the date of signing this contract an inventory will be commenced of the properties listed in such catalogs as the Foreign Liquidation Commissioner has currently prepared. Other inventories will be commenced thereafter as expeditiously as catalogs can be prepared by the Field Commissioner. The inventory will be made

jointly by representatives of the two Governments. Each Government will furnish the personnel and material which it deems necessary for the completion and verification of the inventory.

(d) Any variations between the quantity and condition disclosed as a result of the joint inventory and the quantity and condition stated in the catalog will be adjusted on the basis of the unit purchase price. Where items are listed as "more or less," no adjustment will be made as long as the variation does not exceed 5% (five percent).

ARTICLE II

The United States of America agrees to extend credit to the United States of Brazil for an amount not in excess of US \$8,000,000 (eight million United States dollars), subject to the following conditions and terms of payment:

(a) A sum in United States dollars, equal to the total purchase price arrived at pursuant to Article I above, shall be paid in five equal annual installments, beginning on 1 July 1947 and continuing thereafter on 1 July of each year up to and including 1 July 1951, subject to the provisions of sub-Paragraph (d) of this Article.

(b) Interest shall accrue from the respective dates of determination of the amount due the United States of America for each catalog in conformity with Article I hereof, and shall be paid on the outstanding unpaid balance of the total purchase price. The rate of interest shall be 23/8% (two and three-eighths percent) per annum, payable on the first day of July of each year, the first payment to be made on 1 July 1947.

(c) All payments shall be made in United States dollars, to the Treasurer of the United States, through the Federal Reserve Bank of New York.

(d) The Government of the United States of Brazil may anticipate the payment, in United States dollars, of any installment of principal, or any part thereof, provided that this right of anticipation may not be exercised when any installment of principal or interest is past due and unpaid.

ARTICLE III

It is understood and agreed by the parties hereto that all of the property sold hereunder is conveyed on a "where is", "as is" basis. Delivery shall be made at the present location of the property as and when each item is inventoried, and removal or transfer of custody shall be completed for all items in each location and in each catalog, by the Government of the United States of Brazil, at its expense, within thirty (30) days after the completion of the inventory. If the United States of Brazil is unable to remove or accept custody of said property within the thirty-day period, thereafter all cost of care and handling and the responsibility for any losses whatsoever will be borne by the Brazilian Government. The United States of America guarantees the title to the property herein conveyed.

ARTICLE IV

In the event of any resale of the surplus property sold hereunder the United States of Brazil undertakes to restrict the right of purchasers to export such property to the United States of America.

ARTICLE V

In the case of any technical disagreements within this contract, each Government will appoint one representative and these two will agree upon, and appoint, an expert, who, with them, will consider all disputes, and their decisions will be final on any questions of fact.

ARTICLE VI

This contract shall have a supplement, signed by authorized representatives of the two Governments, which will set forth: (1) the purchase price of each catalog as adjusted according to the provisions of Article I (d), (2) the annual payments due the United States of America under terms of this agreement, and (3) the respective dates on which the adjusted purchase price of each catalog was determined.

In witness whereof, the parties hereto have signed and sealed this contract, written in English and Portuguese, on the day and year first above written.

ALVARO FIUZA DE CASTRO General de Divisão, representing the Government of the United States of Brazil

LEHMAN WELLINGTON MILLER, Field Commissioner, representing the Government of the United States of America

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Lend-Lease Agreement With Brazil

[Released to the press June 28]

An agreement has been signed between the United States of America and the United States of Brazil on the disposition of approximately \$2,000,000 of lend-lease supplies in inventory or procurement in the United States prior to September 2, 1945.

The agreement takes effect immediately. It was signed by Chester T. Lane, Deputy Foreign Liquidation Commissioner, Department of State, and by Colonel João Valdetaro, Chief of the Brazilian Military Commission, Commander Heitor Baptista Coelho, Chief of the Brazilian Naval Commission, and Lt. Col. José Vincente de Faria Lima, Chief of the Brazilian Aeronautical Commission.

The approximate value and the general categories of the articles to be transferred are as follows: industrial equipment, \$1,014,000; air-forces equipment, \$137,000; and ordnance equipment, \$898,000.

Brazil has agreed to pay for this equipment according to terms stipulated in agreements made during the war to provide mutual-defense aid to the United States of Brazil. Brazil further agreed to pay all inland and ocean freight and other transportation expenses, and has agreed that this property shall not be retransferred to the government of any third country without the prior consent of the President of the United States of America.

TEXT OF AGREEMENT

The United States of America and the United States of Brazil in order to provide for the orderly disposition in their mutual interests of the undelivered articles which were in inventory or procurement in the United States of America, prior to September 2, 1945, for the purpose of providing mutual defense aid to the United States of Brazil under the Act of March 11, 1941, as amended, agree as follows:

Article I

All articles and services undertaken to be provided by the United States of America under this Agreement shall be made available under the authority and subject to the terms and conditions

of the Act of March 11, 1941, as amended, and any acts supplementary thereto.

Article II

Within such periods as may be authorized by law, the United States of America agrees to transfer to the United States of Brazil and the United States of Brazil agrees to accept those articles which are or will be available to the United States of America for transfer to the United States of Brazil out of articles that were in inventory or procurement in the United States of America prior to September 2, 1945, for the purpose of providing defense aid under the Act of March 11, 1941, to the United States of Brazil, but were not transferred prior to the date of the signature of this Agreement.

Article III

The United States of Brazil agrees to pay the United States of America for the articles transferred under Article II hereof at a time and in an amount determined as provided in Article III of the Agreement between the United States of America and the United States of Brazil on the subject of defense aid dated March 3, 1942. It is understood that accessorial charges, inland and ocean freight and other expenses connected with the transportation to the United States of Brazil of the articles transferred will be paid by the United States of Brazil.

Article IV

Without limitation upon the provisions of Article II hereof, it is agreed that the approximate value and the general categories of the articles to be transferred hereunder are as follows:

Industrial equipment	\$1,014,000
Air Forces equipment	. 137,000
Ordnance equipment	898,000

Article V

It is agreed that the articles transferred to the United States of Brazil under this Agreement shall not be retransferred to the Government of any third country without the consent of the President of the United States of America.

Article VI

It is agreed that transfers under this Agreement and articles so transferred are further subject to the provisions of Article VII of the Agreement between the United States of America and the United States of Brazil dated March 3, 1942.

Article VII

The provisions of this Agreement shall not apply to articles covered by requisitions calling for full cash payment by the United States of Brazil or to articles requisitioned under Brazilian Project Number 4 for the airplane engine factory at Xerem.

Article VIII

This Agreement does not constitute a final settlement of the terms and conditions upon which the United States of Brazil has received aid under the Act of March 11, 1941, except for the articles made available under the provisions hereof.

Article IX

It is understood that the articles comprising the category "Ordnance equipment" referred to in Article IV hereof are incomplete and that their

completion is not contemplated under the terms of Article II hereof; nevertheless the United States of America agrees to undertake the completion of the said articles at the option and expense of the United States of Brazil.

Article X

This Agreement shall take effect as from this day's date.

Done in duplicate, at Washington, this 28th day of June, 1946.

For the United States of America

CHESTER T. LANE

Deputy Foreign Liquidation Commissioner Department of State

For the United States of Brazil

João Valdetaro, Col.

Chief of the Brazilian Military Commission

H. Baptista Coelho
Chief of the Brazilian Naval Commission

José V. de F. Lima, Ten Cel Ar Chief of the Brazilian Aeronautical Commission

PAU Governing Board Approves Transmittal of Draft Declaration on Rights and Duties of American States to their Governments

[Released to the press by the Pan American Union July 17]

The Committee on the Organization of the Inter-American System ¹ submitted on July 17 to a special Governing Board session of the Pan American Union a report and draft Declaration on the Rights and Duties of American States. Upon approval of the Board it was decided to transmit the declaration to the respective governments for observations and comments. The governments were requested to send their comments to the Pan American Union on or before October 15, 1946 in

order that a definitive draft may be prepared for submission to the Bogotá conference.

The document contains 22 articles, the first 5 of which stress the juridical equality of all states, good faith, and a common belief in republican and democratic principles.

The declaration, which emphasizes the faithful observance of treaties, bans intervention and territorial acquisition by unfair means, and outlaws armed force, establishes that if disputes should arise they are to be settled.

On the question of recognition, the declaration states that "the political existence of a new state is independent of its recognition by other states", but further clarifies that: "Recognition—which is unconditional and irrevocable—signifies that the states which recognize the new state accept its

¹ Members of the Committee include the following delegates to the Pan American Union; Guillermo Sevilla Sacasa, of Nicaragua; Antonio Rocha ,of Colombia; João Carlos Muniz, of Brazil; William Sanders, of the United States; Julián R. Cáceres, of Honduras; Victor Andrade, of Bolivia; Luis Quintanilla, of Mexico; J. B. de Lavalle, of Peru.

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personality with all the rights and duties which international law prescribes."

The declaration contains no article on the recognition of governments. The Committee realized the fact that a principle on this subject should be included in order that the declaration might be complete, but refrained from undertaking its formulation since the Inter-American Juridical Committee of Rio de Janeiro is at present completing a study on this subject.

Economic cooperation is held to be essential to the common welfare of the American peoples, belief is reaffirmed in the good-neighbor policy, and the American republics pledge themselves to unswerving loyalty to the inter-American system and to the strengthening of continental solidarity, as well as to the fulfilment of their obligations as members of the world organization.

NEW ZEALAND—Continued from page 184

to the Government of the United States for the material therein requisitioned and at the time of filing such requisitions deposited with the Government of the United States the estimated cost of such material;

- (ii) Claims arising out of the agreement by the Government of the United States to pay the Government of New Zealand for the articles and services furnished by the Government of New Zealand to the Government of the United States not eligible for reciprocal aid, and for the articles and services furnished by the Government of New Zealand to the Government of the United States after December 31, 1945.
- (c) In consideration of the mutual undertakings described in this Agreement, and with the objective of arriving at as comprehensive a settlement as possible and of obviating protracted negotiations between the two Governments, all other financial claims whatsoever of one Government against the other which arose out of lend-lease or reciprocal aid or otherwise arose on or after September 3, 1939, and prior to September 2, 1945, out of or incidental to the conduct of World War II, and which are not otherwise dealt with in this Agreement, are hereby waived, and neither Government will hereafter raise or pursue any such claims against the other.
- 11. This Agreement shall take effect on the date of signature.

Signed at Washington in duplicate this 10th day of July, 1946.

For the Government of the United States of America:

DEAN ACHESON

Acting Secretary of State of the United States of America

For the Government of New Zealand:

W. NASH

Minister of Finance of the Government of New Zealand

Visit of Argentine Educator

Luis Reissig, cofounder and Secretary of the Colegio Libre de Estudios Superiores of Buenos Aires, is visiting the United States at the invitation of the Department of State.

A graduate of the school of law and social sciences of the University of Buenos Aires, Dr. Reissig is interested in liberal social theories, educational reform, and contemporary literary trends. He has chosen adult education as the subject of his observations and hopes to visit schools and other educational institutions, in as many regions as possible, in order to determine how the different geographical influences and the social needs of the various communities are handled.

Dr. Reissig has been invited to Middlebury College, Vermont, where he will lecture on *Education of the People*.

Among other cities to be visited are New York City; Altoona, Pa.; Ann Arbor, Mich.; Chicago, Ill.; Gary, Ind.; Chapel Hill, N. C.; Denver, Colo.; Los Angeles and San Francisco, Calif.

SURPLUS PROPERTY—Continued from page 186

APPENDIX A

Vessel	Original Cost	Location
1. Sea Rescue Boat-104 ft.	\$190,000.00	Natal
2. Aircraft Rescue Boat-63 ft.	85,000.00	Natal
3. Aircraft Rescue Boat-63 ft.	85,000.00	Natal
4. Line Handling Boat-17 ft.	2,500.00	Natal
5. Plane Rearming Boat-33 ft.	5,000.00	Natal
6. Bomb Target Boat-65 ft.	75,000.00	Bahia

TOTAL ORIGINAL COST . \$442,500.00 PURCHASE PRICE . . \$132,750.00

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The Foreign Service

William Walton Butterworth, Jr. Given Rank of Minister

The Department of State announced on July 18 that William Walton Butterworth, Jr., of New Orleans, La., Counselor of Embassy at Nanking, China, has been given the personal rank of Minister, by direction of President Truman.

Appointment of Public-Affairs Officer to Belgrade

The State Department announced on July 18 the appointment of E. Bigelow Thompson of Boston, Mass., as chief public-affairs officer for the United States in Yugoslavia. He will be on the staff of the American Embassy at Belgrade.

Consular Offices

The name of the American Vice Consulate at Puerto de la Cruz, Venezuela, has been changed to Puerto la Cruz to conform with official Venezuelan usage.

The Consulate at Durango, Mexico, was officially closed on July 12, 1946.

The Department

Appointment of Officers

Fitzhugh Granger as Chief, Area Division IV (American Republics), in the Office of International Information and Cultural Affairs, effective July 1, 1946.

The Congress

Twenty-second Report to Congress on Lend-Lease Operations, Message From the President of the United States Transmitting the Twenty-Second Report of Operations Under the Lend-Lease Act for the Period Ending December 31, 1945. H. Doc. 663, 79th Cong. 89 pp.

Seventh Report to Congress on Operations of UNRRA. Message From the President of the United States Transmitting the Seventh Quarterly Report on the Operations of UNRRA and Expenditure of Funds Appropriated by the Congress. H. Doc. 670, 79th Cong. iii, 62 pp.

Departments of State, Justice, Commerce, and the Judiciary Appropriation Bill, 1947. S. Rept. 1510, 79th Cong., to accompany H.R. 6056. 24 pp. [Department of State, pp. 1–7.]

Amending the Philippine Rehabilitation Act of 1946, for the Purpose of Making a Clerical Correction. S. Rept. 1577, 79th Cong., to accompany S. 2259. 1 p. [Favorable report.]

Providing for the Retention by the United States Government or Its Agencies of Instrumentalities of Real and Personal Property Within the Philippines Now Owned or Later Acquired and for the Administration of the Trading With the Enemy Act of October 6, 1917, as Amended, in the Philippines, Subsequent to Independence. S. Rept. 1578, 79th Cong., to accompany S. 2345. 4 pp. [Favorable report.]

Authorizing the Continuance of the Acceptance by the Treasury of Deposits of Public Moneys from the Philippine Islands. S. Rept. 1579, 79th Cong., to accompany S. 2348. 2 pp. [Favorable report.]

Making Appropriations for Government Corporations and Independent Executive Agencies for the Fiscal Year Ending June 30, 1947. S. Rept. 1617, 79th Cong., to accompany H.R. 6777. 7 pp. [Department of State, p. 2.]

Amending the Law Relating to Larceny in Interstate or Foreign Commerce. S. Rept. 1632, 79th Cong., to accompany H.R. 4180. 5 pp. [Favorable report.]

Administrative Expenses in Government Departments. S. Rept. 1636, 79th Cong., to accompany H.R. 6533. 11 pp. [Favorable report.]

Restoration of Certain Currency Destroyed in the Philippine Islands. S. Rept. 1646, 79th Cong., to accompany H.J. Res. 321. 2 pp. [Favorable report.]

United States Membership and Participation in the United Nations Educational, Scientific, and Cultural Organization. S. Rept. 1649, 79th Cong., to accompany H.J. Res. 305, 6 pp.

Nationality Act of 1940, with Amendments Through March 31, 1946. S. Doc. 207, 79th Cong. iv., 114 pp. [Indexed.]

Supplemental Estimate—Department of State. Communication from the President of the United States Transmitting Supplemental Estimate of Appropriation for the Department of State, Fiscal Year 1947, Amounting to \$339,853.60. S. Doc. 233, 79th Cong. 2 pp.

An Act Reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes. Approved May 27, 1946. [H.R. 5604.] Public Law 391, 79th Cong. 9 pp.

Joint Resolution To provide for United States participation in the Philippine independence ceremonies on July 4, 1946. Approved June 15, 1946. [H.J. Res. 360.] Public Law 414, 79th Cong. 1 p.

An Act To provide military assistance to the Republic of the Philippines in establishing and maintaining national

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olic nal security and to form a basis for participation by that government in such defensive military operations as the future may require. Approved June 26, 1946. [H.R. 6572.] Public Law 454, 79th Cong. 2 pp.

An Act To facilitate the admission into the United States of the alien fiancées or fiancés of members of the armed forces of the United States. Approved June 29, 1946. [S. 2122.] Public Law 471, 79th Cong. 2 pp.

An Act To amend the Second War Powers Act, 1942, as amended. Approved June 29, 1946. [H.R. 5716.] Public Law 475, 79th Cong. 1 p.

An Act To authorize the admission into the United States of persons of races indigenous to India, and persons of races indigenous to the Philippine Islands, to make them racially eligible for naturalization, and for other purposes. Approved July 2, 1946. [H.R. 3517.] Public Law 483, 79th Cong. 2 pp.

An Act To provide for the retention by the United States Government or its agencies or instrumentalities of real and personal property within the Philippines now owned or later acquired and for the administration of the Trading With the Enemy Act of October 6, 1917, as amended, in the Philippines, subsequent to independence. Approved July 3, 1946. [S. 2345.] Public Law 485, 79th Cong. 3 pp.

An Act To authorize the appointment of additional Foreign Service officers in the classified grades. Approved July 3, 1946. [H.R. 5244.] Public Law 488, 79th Cong. 2 pp.

An Act Making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1947, and for other purposes. Approved July 5, 1946. [H.R. 6056.] Public Law 490, 79th Cong. 39 pp.

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